

UNITED STATES MINT



2016 ANNUAL REPORT

PRINCIPAL DEPUTY DIRECTOR'S LETTER

I am proud to report that in Fiscal Year 2016, the dedicated men and women of the United States Mint yet again accomplished, through their hard work, impressive results for our country.

Each of the Mint's core product lines (circulating coins, bullion coins and numismatic items) solidly performed to schedule this fiscal year. Of special note: 100 percent of the more than 16 billion circulating coins ordered by the Federal Reserve Bank were shipped on time. The bullion product line set new records in both FY 2014 and FY 2015; this year as well, demand for silver bullion coins remained strong, surging late in the year. Almost 44 million ounces of gold, silver, and platinum bullion were sold in FY 2016, a slight decrease from the record-setting 49 million ounces sold in FY 2015. Throughout the fiscal year, the numismatic product line remained profitable by controlling costs, resulting in earnings of \$34.5 million. Due to the success of each product line, the Mint was able to transfer more than \$550 million to the Treasury General Fund this year.

Inherent to the success of our production operations is the preservation of the assets entrusted to our care and our financial integrity. In FY 2016, the Mint's police force effectively maintained security over our national assets. As a department, protection continued to upgrade its capabilities and in turn, upgrade the level of security provided. Additionally, the Financial Department remains strong; for the 24th consecutive year, independent auditors returned an unmodified or "clean" audit on the Mint's financial statements.

2016 was a successful year for the Mint filled with many accomplishments; we aim to continue that upward trajectory by preparing for the future. In FY 2016, the Mint developed and introduced a five-year strategic plan with three key goals: 1) fostering a safe, flexible, diverse, and engaged workforce; 2) improving enterprise management and governance; and 3) integrating technology into operations and support lines. Furthermore, the Mint developed and initiated a new program to reimagine the process of numismatic product development from concept to final production and launch.

In FY 2016, we focused on connecting with our customer base. As a result, customer satisfaction rose, and continues to rise as a result of improvements to the experience of purchasing numismatic and bullion products. Moreover, increased use of the mobile app, faster delivery of products and updated order tracking have made buying Mint products easier and more convenient.

2017 will mark the 225th anniversary of the formation of the United States Mint. To celebrate its milestone 225 years, the Mint will strike, in high relief gold, the 2017 American Liberty coin with an image of Liberty. We at the Mint are very proud of our history and of the beautiful coin commemorating our anniversary. The coin's image maintains an intimate connection with the history of this great Nation and our fundamental principles, while at the same time, recognizing our forward-looking diverse and dynamic population.

As an organization established by the Constitution, the United States Mint maintains the tradition that for 225 years has served the American people. I am proud of the accomplishments achieved by the Mint in 2016 and look forward to more progress in 2017.

Sincerely,



Matthew Rhett Jeppson, Principal Deputy Director



Matthew Rhett Jeppson
United States Mint
Principal Deputy Director



Front row, left to right: Annie Brown, Associate Director, Workforce Solutions Directorate; Elisa Basnight, Chief of Staff; Jean Gentry, Chief Counsel; Margaret (Peggy) Yauss, Acting Associate Director for Finance; Ellen McCullom, Superintendent, West Point Mint.

Back row, left to right: Dave Motl, Acting Deputy Director for Management; David Jacobs, Superintendent, San Francisco Mint; Lauren Buschor, Associate Director, Information Technology Directorate; Randall Johnson, Superintendent, Denver Mint; Betty Birdsong, Acting Director, Legislative and Intergovernmental Affairs; Eric Anderson, Executive Secretary; Marc Landry, Superintendent, Philadelphia Mint; Matthew (Rhett) Jeppson, Principal Deputy Director; Richard (Dick) Peterson, Deputy Director for Manufacturing and Quality; B. B. Craig, Associate Director for Environment, Safety, Health and Energy; Thomas Jurkowsky, Chief, Corporate Communications; Jon Cameron, Acting Associate Director, Numismatic and Bullion Directorate; Dennis O'Connor, Chief, Mint Police; David Croft, Associate Director, Manufacturing Directorate; April Stafford, Chief, Design Management.

ORGANIZATIONAL PROFILE

OUR MISSION: The United States Mint (Mint) enables America's economic growth and stability by protecting assets entrusted to us and manufacturing coins and medals to facilitate national commerce.

OUR CORE VALUES: The Mint is privileged to connect America through coins and medals, which reflect the remarkable history, values, culture, diversity, and natural beauty of our Nation. To maintain the Mint's reputation as one of the finest mints in the world, Mint employees are committed to undertaking their work according to the core values of service, quality, and integrity.

Established in 1792, the Mint is the world's largest coin manufacturer. Since Fiscal Year (FY) 1996, the Mint has operated under the Public Enterprise Fund (PEF) (31 U.S.C. § 5136). The PEF enables the Mint to operate without an appropriation. The Mint generates revenue through the sale of circulating coins to the Federal Reserve Banks (FRB), numismatic products to the public, and bullion coins to authorized purchasers. Revenue in excess of amounts required by the PEF is transferred to the United States Treasury (Treasury) General Fund.

The Mint operates six facilities and employs approximately 1,700 employees across the United States. Each facility performs unique functions critical to our overall operations. Manufacturing facilities in Philadelphia and Denver produce coins of all denominations for circulation. Both facilities also produce dies for striking coins. All sculpting and engraving of coin and medal designs is performed in Philadelphia. Production of numismatic products, including bullion coins, is primarily performed at facilities in San Francisco and West Point. All four production facilities produce commemorative coins as authorized by Federal laws. The United States Bullion Depository at Fort Knox stores and safeguards United States gold bullion reserves. Administrative and oversight functions are performed at the Mint Headquarters in Washington, D.C.

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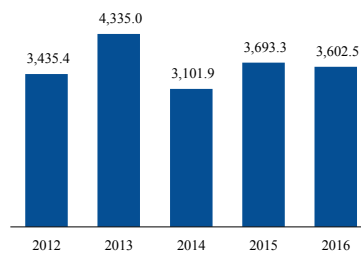
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THE UNITED STATES MINT AT A GLANCE

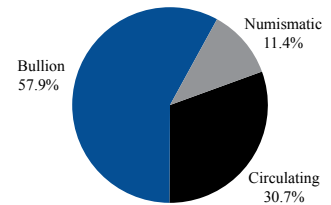
UNITED STATES MINT (MINT)

The men and women of the Mint manufacture and distribute circulating coins, precious metal and collectible coins, and national medals to meet the needs of the United States. The Mint has the following lines of operation: Circulating, Bullion, and Numismatic.

Revenue (dollars in millions)



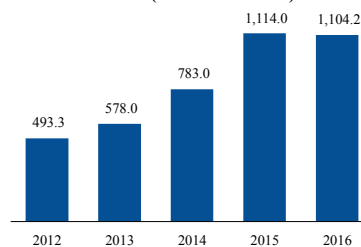
Revenue by Line of Business (percent of total)



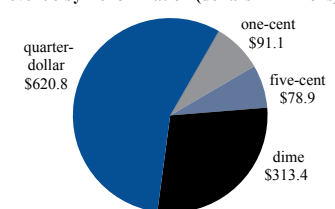
CIRCULATING COINAGE

The Mint is the sole manufacturer of legal tender coinage in the United States. The Mint's highest priority is to efficiently and effectively mint and issue circulating coinage.

Revenue (dollars in millions)



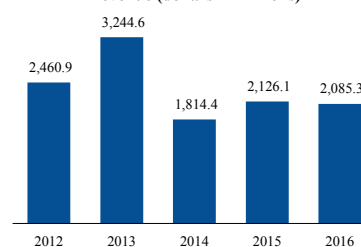
Revenue by Denomination (dollars in millions)



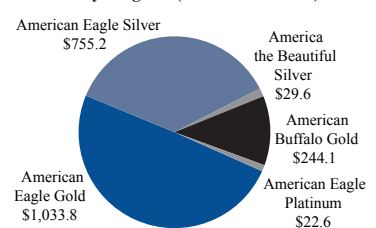
BULLION COINS

The Mint is the world's largest producer of gold and silver bullion coins. The bullion coin program provides consumers a simple and tangible means to acquire precious metal coins. Investors purchase bullion coins for the intrinsic metal value and the United States Government's guarantee of each coin's metal weight, content, and purity.

Revenue (dollars in millions)



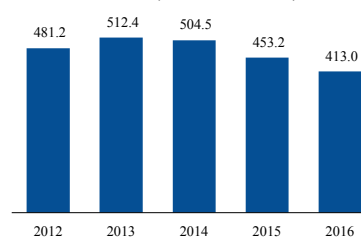
Revenue by Program (dollars in millions)



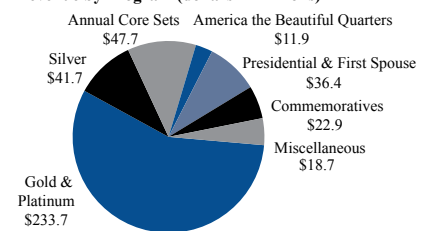
NUMISMATIC PRODUCTS

The Mint prepares and distributes numismatic products for collectors and those who desire high-quality versions of coinage. Most of the Mint's recurring products are required by Federal statute. Others are required by individual public laws.

Revenue (dollars in millions)



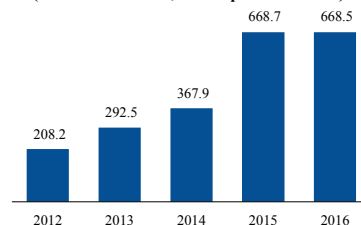
Revenue by Program (dollars in millions)



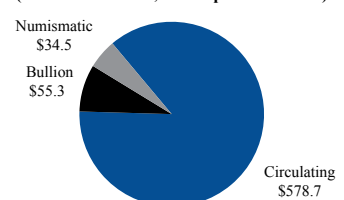
SEIGNIORAGE AND NET INCOME

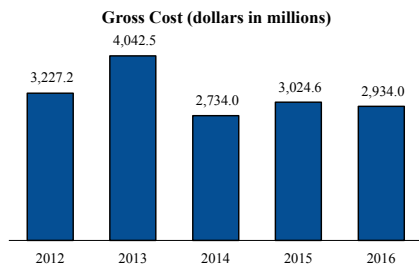
Seigniorage is the difference between the face value and cost of producing circulating coinage. The Mint transfers seigniorage to the Treasury General Fund to help finance national debt. Net income from bullion and numismatic operations can also fund Federal programs.

Seigniorage and Net Income (dollars in millions, before protection cost)



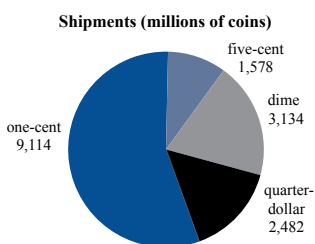
Seigniorage and Net Income by Line of Business (dollars in millions, before protection cost)





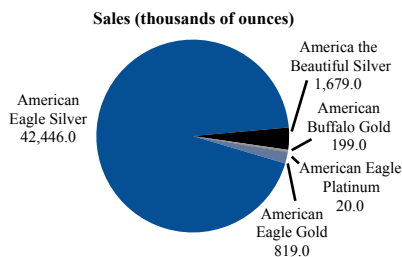
2016 PERFORMANCE

FY 2016 revenue was \$3,602.5 million, a decrease of 2.5 percent compared to last year. Cost of goods sold (COGS) decreased 3.2 percent to \$2,789.0 million. Selling, general and administrative (SG&A) expenses increased 1 percent from last year. Total seigniorage and net income before Protection expenses remained constant compared to last year, reflecting the impact of lower demand in the bullion and numismatic business lines.



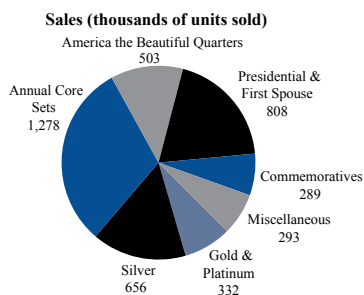
CIRCULATING COINAGE

Circulating coin shipments increased 1.0 percent to 16,308 million coins in FY 2016. Shipments for most denominations increased except the penny and quarter-dollar. Circulating revenue decreased 1 percent to \$1,104.2 million. Seigniorage increased 7.0 percent to \$578.7 million. Seigniorage per dollar issued increased to \$0.52 from \$0.49 last year.



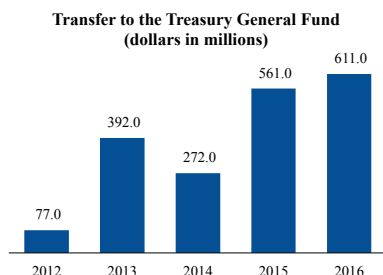
BULLION COINS

Demand for bullion coins in FY 2016 decreased compared to last year. The Mint sold 45.2 million ounces of gold, silver and platinum bullion coins, a decrease of 4.6 million ounces from last year. Total bullion coin revenue decreased 1.9 percent to \$2,085.3 million in FY 2016, primarily due to an 11.9 percent decrease in silver bullion coin revenues. Bullion coin net income decreased 9.3 percent to \$55.3 million and bullion coin net margin decreased to 2.7 percent from 2.9 percent last year.



NUMISMATIC PRODUCTS

Numismatic sales decreased 22.7 percent to 4.2 million units in FY 2016. Numismatic revenues decreased 8.9 percent to \$413.0 million due to decreases in silver product revenues. Numismatic net income decreased 48.4 percent to \$34.5 million (before Protection expenses). Numismatic net margin decreased to 8.4 percent compared to 14.7 percent last year.



TRANSFER TO THE GENERAL FUND

In FY 2016, the Mint transferred \$611 million to the Treasury General Fund from the PEF. The Mint transferred \$550 million of seigniorage as a non-budget transfer. In the first quarter, the Mint made a budget transfer of \$61 million from FY 2015 numismatic program results.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

CIRCULATING COINAGE FOR THE NATION'S COMMERCE

CIRCULATING

As America's sole manufacturer of legal tender coinage, the efficient and effective production and distribution of coinage is the Mint's highest priority.

The Mint produces and issues circulating coins to the FRB in quantities to support their service to commercial banks and other financial institutions. These financial institutions then meet the coinage needs of retailers and the public. The Mint recognizes revenue from the sale of circulating coins at face value when they are shipped to the FRB.

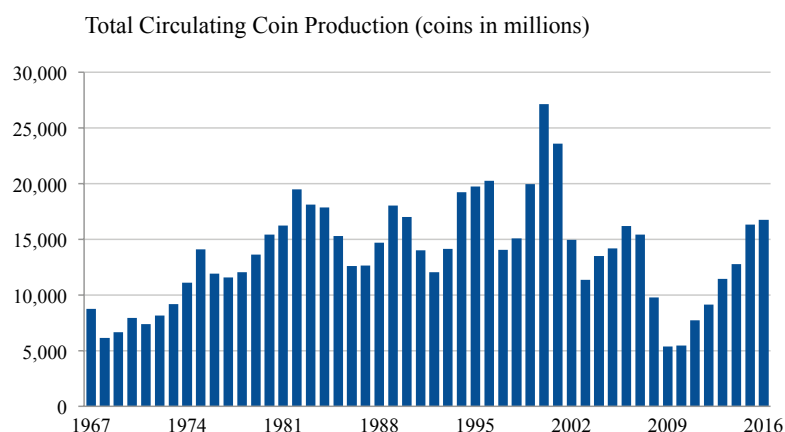
CIRCULATING RESULTS FY 2016 circulating coin shipments to the FRB increased by 1.0 percent to a total 16.3 billion coins compared to last year. The year saw increases in all denominations except the penny and quarter-dollar, which resulted in a modest decrease in revenue compared to last year.

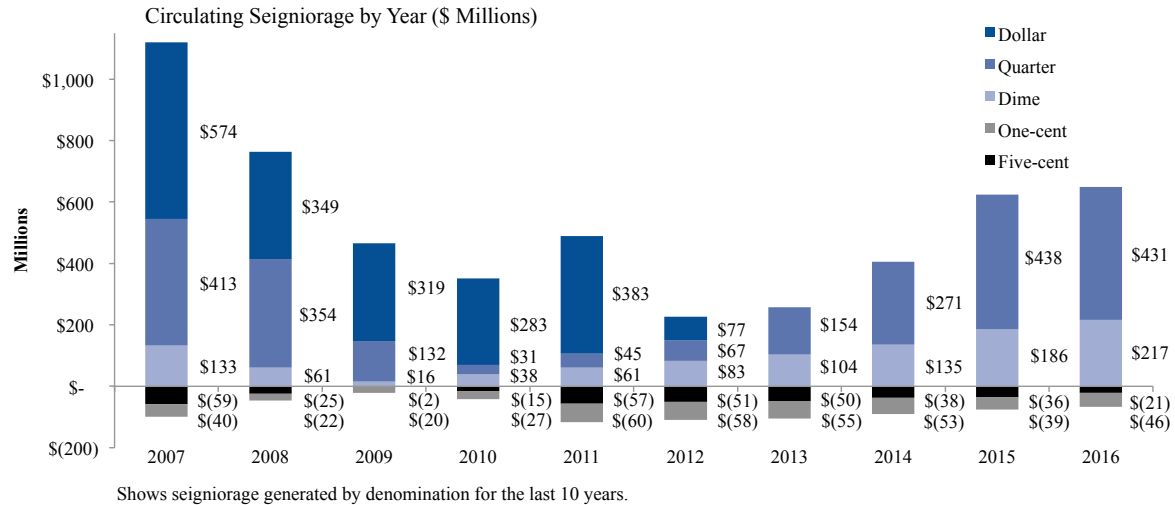
The overall shipment mix stayed relatively flat for all denominations in FY 2016. As a percentage of total shipments, penny and quarter shipments decreased by 2.0 percent, while nickels and dimes increased by 2.0 percent.

FY 2016 circulating revenue was \$1,104.2 million, 0.9 percent lower than last year, driven by a \$40.5 million (6.1 percent) decrease in quarter-dollar revenue. FY 2016 circulating seigniorage was \$578.7 million, 7.0 percent higher than last year, due to lower metal and production costs. The resulting seigniorage per dollar issued was \$0.52, exceeding both \$0.49 from last year and FY 2011 levels prior to the \$1 coin suspension.

FY 2016 unit costs decreased for all denominations except the penny compared to last year. By keeping indirect costs down while meeting increased demand, fixed costs were spread among more units. The unit cost for both pennies (1.50 cents) and nickels (6.32 cents) remained above face value for the eleventh consecutive fiscal year. Lower metal costs generated a smaller FY 2016 net loss (\$20.8 million) for the nickel compared to FY 2015 (\$35.9 million).

Compared to last year, FY 2016 average spot prices for nickel decreased 30.9 percent to \$9,264.43 per tonne, average copper prices fell 19.6 percent to \$4,766.68, and average zinc prices decreased 10.4 percent to \$1,868.28.





CIRCULATING (coins and dollars in millions except seigniorage per \$1 issued)

	2016	2015	2014	2013	2012	% Change 2015 to 2016
Coin Shipments	16,308	16,151	13,037	10,696	9,082	1.0%
Value of Shipments	\$ 1,104.2	\$ 1,114.0	\$ 783.0	\$ 578.0	\$ 493.3	(0.9%)
Gross Cost	\$ 525.5	\$ 573.1	\$ 493.9	\$ 440.6	\$ 387.4	(8.3%)
Cost of Goods Sold	\$ 468.5	\$ 520.0	\$ 435.4	\$ 383.7	\$ 325.8	(9.9%)
Selling, General & Administrative	\$ 57.0	\$ 53.1	\$ 58.5	\$ 56.9	\$ 61.6	7.3%
Seigniorage	\$ 578.7	\$ 540.9	\$ 289.1	\$ 137.4	\$ 105.9	7.0%
Seigniorage per \$1 Issued	\$ 0.52	\$ 0.49	\$ 0.37	\$ 0.24	\$ 0.21	7.1%

UNIT COST OF PRODUCING AND DISTRIBUTING COINS BY DENOMINATION

2016	One-Cent	Five-Cent	Dime	Quarter-Dollar
Cost of Goods Sold	\$ 0.0131	\$ 0.0551	\$ 0.0269	\$ 0.0672
Selling, General & Administrative	\$ 0.0017	\$ 0.0071	\$ 0.0034	\$ 0.0080
Distribution to FRB	\$ 0.0002	\$ 0.0010	\$ 0.0005	\$ 0.0011
Total Unit Cost	\$ 0.0150	\$ 0.0632	\$ 0.0308	\$ 0.0763
2015	One-Cent	Five-Cent	Dime	Quarter-Dollar
Cost of Goods Sold	\$ 0.0125	\$ 0.0664	\$ 0.0315	\$ 0.0755
Selling, General & Administrative	\$ 0.0015	\$ 0.0068	\$ 0.0033	\$ 0.0076
Distribution to FRB	\$ 0.0003	\$ 0.0012	\$ 0.0006	\$ 0.0013
Total Unit Cost	\$ 0.0143	\$ 0.0744	\$ 0.0354	\$ 0.0844
2014	One-Cent	Five-Cent	Dime	Quarter-Dollar
Cost of Goods Sold	\$ 0.0143	\$ 0.0699	\$ 0.0338	\$ 0.0775
Selling, General & Administrative	\$ 0.0021	\$ 0.0102	\$ 0.0049	\$ 0.0109
Distribution to FRB	\$ 0.0002	\$ 0.0008	\$ 0.0004	\$ 0.0011
Total Unit Cost	\$ 0.0166	\$ 0.0809	\$ 0.0391	\$ 0.0895

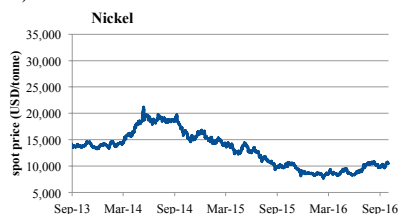
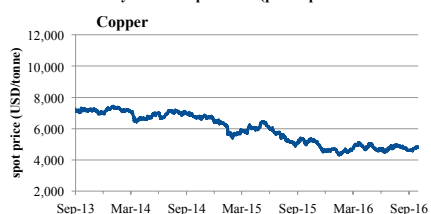
SHIPMENTS, COSTS, AND SEIGNIORAGE BY DENOMINATION
(coins and dollars in millions except seigniorage per \$1 issued)

2016	One-Cent	Five-Cent	Dime	Quarter-Dollar	Mutilated & Other	Total
Coins Shipments	9,114	1,578	3,134	2,482	–	16,308
Value of Shipments	\$ 91.1	\$ 78.9	\$ 313.4	\$ 620.8	\$ –	\$ 1,104.2
Gross Cost	\$ 137.1	\$ 99.7	\$ 96.4	\$ 189.4	\$ 2.9	\$ 525.5
Cost of Goods Sold	\$ 121.9	\$ 88.5	\$ 85.7	\$ 169.5	\$ 2.9	\$ 468.5
Selling, General & Administrative	\$ 15.2	\$ 11.2	\$ 10.7	\$ 19.9	\$ –	\$ 57.0
Seigniorage	\$ (46.0)	\$ (20.8)	\$ 217.0	\$ 431.4	\$ (2.9)	\$ 578.7
Seigniorage per \$1 Issued	\$ (0.50)	\$ (0.26)	\$ 0.69	\$ 0.69	\$ –	\$ 0.52

2015	One-Cent	Five-Cent	Dime	Quarter-Dollar	Mutilated & Other	Total
Coins Shipments	9,155	1,477	2,874	2,645	–	16,151
Value of Shipments	\$ 91.6	\$ 73.8	\$ 287.3	\$ 661.3	\$ –	\$ 1,114.0
Gross Cost	\$ 130.1	\$ 109.7	\$ 101.6	\$ 223.2	\$ 8.5	\$ 573.1
Cost of Goods Sold	\$ 116.5	\$ 99.7	\$ 92.1	\$ 203.2	\$ 8.5	\$ 520.0
Selling, General & Administrative	\$ 13.6	\$ 10.0	\$ 9.5	\$ 20.0	\$ –	\$ 53.1
Seigniorage	\$ (38.5)	\$ (35.9)	\$ 185.7	\$ 438.1	\$ (8.5)	\$ 540.9
Seigniorage per \$1 Issued	\$ (0.42)	\$ (0.49)	\$ 0.65	\$ 0.66	\$ –	\$ 0.49

2014	One-Cent	Five-Cent	Dime	Quarter-Dollar	Mutilated & Other	Total
Coins Shipments	7,920	1,211	2,223	1,683	–	13,037
Value of Shipments	\$ 79.2	\$ 60.5	\$ 222.3	\$ 421.0	\$ –	\$ 783.0
Gross Cost	\$ 132.1	\$ 98.1	\$ 87.1	\$ 150.5	\$ 26.1	\$ 493.9
Cost of Goods Sold	\$ 115.3	\$ 85.7	\$ 76.1	\$ 132.2	\$ 26.1	\$ 435.4
Selling, General & Administrative	\$ 16.8	\$ 12.4	\$ 11.0	\$ 18.3	\$ –	\$ 58.5
Seigniorage	\$ (52.9)	\$ (37.6)	\$ 135.2	\$ 270.5	\$ (26.1)	\$ 289.1
Seigniorage per \$1 Issued	\$ (0.67)	\$ (0.62)	\$ 0.61	\$ 0.64	\$ –	\$ 0.37

Base Metal Daily Official Spot Price (prices per metric tonne in dollars)





MINT COINS COMMEMORATE NATIONAL PARK SERVICE'S 100TH ANNIVERSARY

The Mint released four coins connected to the National Park Service (NPS), which celebrated its 100th anniversary in 2016. Five-dollar gold coins, one-dollar silver coins, and half-dollar clad coins were minted as part of the Commemorative Coin Program, to celebrate the centennial of the NPS. The obverse designs feature a number of iconic natural and historical images, including noted conservationists Theodore Roosevelt and John Muir and the Old Faithful geyser of Yellowstone National Park. The Mint then joined the NPS to celebrate the release of the Theodore Roosevelt National Park America the Beautiful Quarter®. The ceremony was held at the park's Painted Canyon Visitor Center on August 25, the founding date of the NPS.

"This coin serves to memorialize the 26th President for his enduring contributions to the conservation of our nation's resources, especially those found here in Theodore Roosevelt National Park," Mint Principal Deputy Director Rhett Jeppson said.

The Theodore Roosevelt National Park quarter is one of five released in 2016. Located amid the vast badlands of North Dakota, the park honors Roosevelt's formative experiences in the area and subsequent legacy of conservation. The coin's reverse design depicts a young Roosevelt on horseback surveying the terrain near the Little Missouri River. Since 2010, the Mint has issued quarters depicting national parks, forests, and other sites for each of the U.S. states and territories. Past designs have featured the Grand Canyon, Gettysburg, Denali and the Hawai'i Volcanoes.



PRECIOUS METAL BULLION COINS FOR INVESTORS

BULLION COINS

The Mint's bullion coin program provides the public a simple and tangible means to acquire precious metal coins at a slight premium to spot market metal prices. Investors purchase bullion coins not only for their intrinsic metal value, but also because the United States guarantees each coin's metal weight, content, and purity.

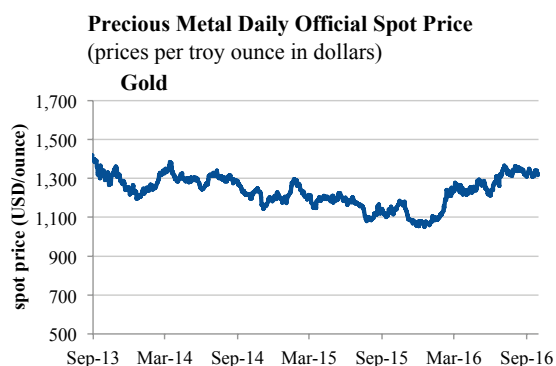
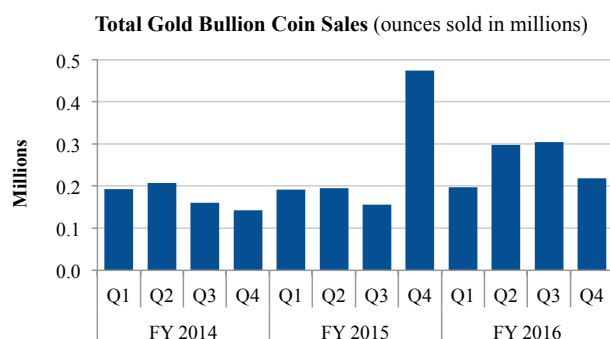
The Mint produces and issues gold, silver, and platinum bullion coins to authorized purchasers through the American Buffalo, America the Beautiful Silver Bullion Coin™, and the American Eagle Programs. The Mint sells the coins to the authorized purchasers at the same market price paid for the metal, plus a premium to cover bullion program operating costs. Authorized purchasers agree to maintain an open, two-way market for these coins, assuring their liquidity. This allows the public to purchase and sell bullion coins at the prevailing market price, adjusting for any premium the authorized purchaser applies.

BULLION RESULTS In FY 2016, the Mint sold 45,163 thousand ounces of bullion, a decrease of 4,585 thousand ounces or 9.2 percent compared to FY 2015, which was a record-breaking year for bullion. Because of lower bullion demand, FY 2016 bullion coin program revenue and net income decreased compared to FY 2015. Revenue totaled \$2,085.3 million, down 1.9 percent from \$2,126.1 million last year. Net income decreased 9.3 percent to \$55.3 million from \$61.0 million, driven by American Eagle Silver Bullion earnings, which decreased \$4.1 million (11.9 percent).

Bullion demand surged from January through May of FY 2016, driven by increases in American Eagle Silver Bullion Coin ounces. However, starting in June, silver demand experienced a dramatic slowdown. The decrease in total bullion revenue was more modest than the volume declines because there was a \$46.1 million (3.7 percent) increase in gold bullion revenue.

GOLD BULLION COIN RESULTS Bullion coin program results are highly dependent on trends in commodity market prices. These commodity prices are, in turn, dependent on variables such as global supply constraints, perceived strength as a safe-haven asset, currency exchange markets, and earnings potential from other commodities or investments.

Although FY 2016 gold bullion demand fluctuated throughout the year, a strong third quarter resulted in volumes matching last year. FY 2016 sales stayed flat at 1,018 thousand ounces, with a 1.1 percent increase in American Eagle Gold Bullion Coin ounces sold fully offset by a 4.3 percent decrease in American Buffalo Gold Bullion Coin ounces sold compared to last year.



BULLION COINS (dollars in millions)

	2016	2015	2014	2013	2012	% Change 2015 to 2016
Gold oz. sold (thousands)	1,018	1,018	702	1,218	788	0.0%
Silver oz. sold (thousands)	44,125	48,727	38,968	44,644	34,152	-9.4%
Platinum oz. sold (thousands)	20	3	14	—	—	566.7%
Sales Revenue	\$ 2,085.3	\$ 2,126.1	\$ 1,814.4	\$ 3,244.6	\$ 2,460.9	-1.9%
Gross Cost	\$ 2,030.0	\$ 2,065.1	\$ 1,786.4	\$ 3,185.3	\$ 2,432.5	-1.7%
Cost of Goods Sold	\$ 2,003.9	\$ 2,038.5	\$ 1,760.9	\$ 3,159.0	\$ 2,407.6	-1.7%
Selling, General & Administrative	\$ 26.1	\$ 26.6	\$ 25.5	\$ 26.3	\$ 24.9	-1.9%
Net Income	\$ 55.3	\$ 61.0	\$ 28.0	\$ 59.3	\$ 28.4	-9.3%
Bullion Net Margin	2.7%	2.9%	1.5%	1.8%	1.2%	-6.9%

BULLION COINS REVENUE, COST, AND NET INCOME BY PROGRAM
(dollars in millions)

2016	American Eagle Gold	American Buffalo Gold	Sub-Total Gold	American Eagle Silver	America the Beautiful Silver	Sub-Total Silver	American Eagle Platinum	Total
Ounces Sold (thousands)	819	199	1,018	42,446	1,679	44,125	20	45,163
Sales Revenue	\$ 1,033.8	\$ 244.1	\$ 1,277.9	\$ 755.2	\$ 29.6	\$ 784.8	\$ 22.6	\$ 2,085.3
Gross Cost	\$ 1,012.9	\$ 239.9	\$ 1,252.8	\$ 725.0	\$ 28.5	\$ 753.5	\$ 23.7	\$ 2,030.0
Cost of Goods Sold	\$ 1,009.1	\$ 239.3	\$ 1,248.4	\$ 704.3	\$ 27.7	\$ 732.0	\$ 23.5	\$ 2,003.9
Selling, General & Administrative	\$ 3.8	\$ 0.6	\$ 4.4	\$ 20.7	\$ 0.8	\$ 21.5	\$ 0.2	\$ 26.1
Net Income	\$ 20.9	\$ 4.2	\$ 25.1	\$ 30.2	\$ 1.1	\$ 31.3	\$ (1.1)	\$ 55.3
Bullion Net Margin	2.0%	1.7%	2.0%	4.0%	3.7%	4.0%	-4.9%	2.7%

2015	American Eagle Gold	American Buffalo Gold	Sub-Total Gold	American Eagle Silver	America the Beautiful Silver	Sub-Total Silver	American Eagle Platinum	Total
Ounces Sold (thousands)	810	208	1,018	47,870	857	48,727	3	49,748
Sales Revenue	\$ 979.6	\$ 252.2	\$ 1,231.8	\$ 875.4	\$ 15.5	\$ 890.9	\$ 3.4	\$ 2,126.1
Gross Cost	\$ 957.8	\$ 247.7	\$ 1,205.5	\$ 841.1	\$ 14.7	\$ 855.8	\$ 3.8	\$ 2,065.1
Cost of Goods Sold	\$ 954.8	\$ 247.2	\$ 1,202.0	\$ 818.5	\$ 14.3	\$ 832.8	\$ 3.7	\$ 2,038.5
Selling, General & Administrative	\$ 3.0	\$ 0.5	\$ 3.5	\$ 22.6	\$ 0.4	\$ 23.0	\$ 0.1	\$ 26.6
Net Income	\$ 21.8	\$ 4.5	\$ 26.3	\$ 34.3	\$ 0.8	\$ 35.1	\$ (0.4)	\$ 61.0
Bullion Net Margin	2.2%	1.8%	2.1%	3.9%	5.2%	3.9%	-11.8%	2.9%

2014	American Eagle Gold	American Buffalo Gold	Sub-Total Gold	American Eagle Silver	America the Beautiful Silver	Sub-Total Silver	American Eagle Platinum	Total
Ounces Sold (thousands)	524	178	702	38,285	683	38,968	14	39,684
Sales Revenue	\$ 693.5	\$ 234.0	\$ 927.5	\$ 849.9	\$ 15.1	\$ 865.0	\$ 21.9	\$ 1,814.4
Gross Cost	\$ 676.5	\$ 229.3	\$ 905.8	\$ 843.6	\$ 14.6	\$ 858.2	\$ 22.4	\$ 1,786.4
Cost of Goods Sold	\$ 674.4	\$ 228.8	\$ 903.2	\$ 821.1	\$ 14.3	\$ 835.4	\$ 22.3	\$ 1,760.9
Selling, General & Administrative	\$ 2.1	\$ 0.5	\$ 2.6	\$ 22.5	\$ 0.3	\$ 22.8	\$ 0.1	\$ 25.5
Net Income	\$ 17.0	\$ 4.7	\$ 21.7	\$ 6.3	\$ 0.5	\$ 6.8	\$ (0.5)	\$ 28.0
Bullion Net Margin	2.5%	2.0%	2.3%	0.7%	3.3%	0.8%	(2.3%)	1.5%

Gold bullion revenue increased by 3.7 percent to \$1,277.9 million because of increases of 5.5 percent in American Eagle revenue. American Buffalo revenue decreased by 3.2 percent.

FY 2016 gold bullion net income decreased \$1.2 million (4.6 percent), driven by a \$0.9 million (4.1 percent) decrease in American Eagle earnings. American Buffalo earnings decreased by \$0.3 million (6.7 percent).

The FY 2016 average daily spot price of gold was \$1,221.75 per ounce, up 3.2 percent from \$1,183.52 last year.

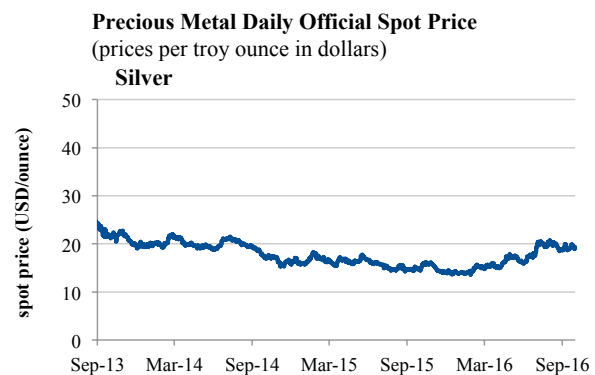
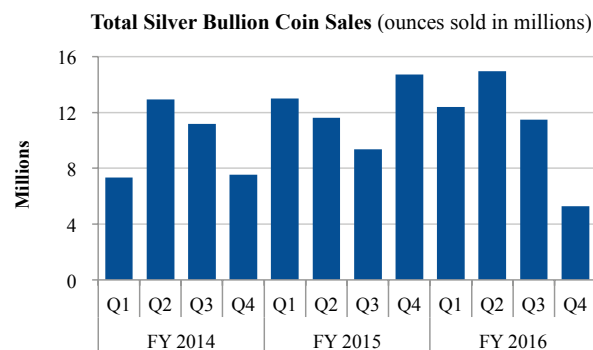
SILVER BULLION COIN RESULTS Total silver bullion ounces sold decreased 4,602 thousand ounces (9.4 percent) to 44,125 thousand ounces with an 11.3 percent decrease in American Eagle Silver Bullion Coin ounces sold compared to last year. The Mint lifted allocation of American Eagle Silver One Ounce Bullion Coins effective July 18, 2016 and remained off of allocation for the rest of the fiscal year.

Net income from silver bullion coins decreased 10.8 percent because of a \$4.1 million decrease in American Eagle earnings. America the Beautiful Silver Bullion Coins experienced a \$0.3 million increase (37.5 percent) in earnings compared to last year.

The majority of America the Beautiful bullion sales came from the Shawnee National Forest silver coin. It launched on February 1, 2016 as the first five-ounce release of this calendar year. Shawnee bullion sales (525,000 ounces) were the highest since the 2011-dated releases commemorating Glacier National Park and Gettysburg National Military Park (each selling 633,500 ounces).

Lower volumes meant that FY 2016 silver revenue decreased by 11.9 percent. American Eagle revenue decreased by \$120.2 million (13.7 percent), while America the Beautiful revenue increased by \$14.1 million (91 percent).

The FY 2016 average daily spot price of silver was \$16.53 per ounce, up 2.5 percent from \$16.12 compared to the same period last year.



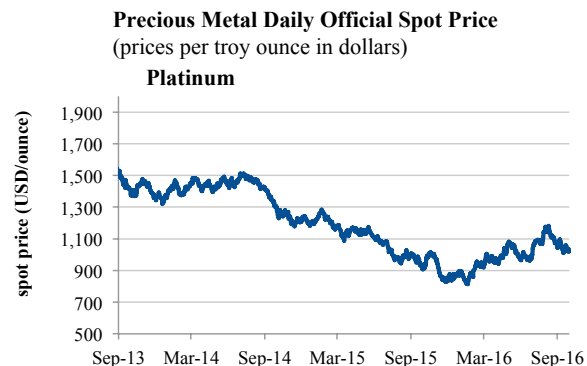
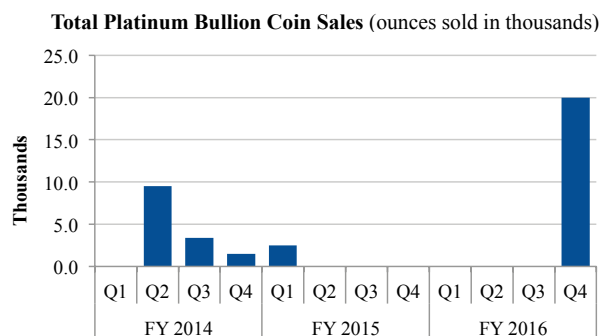


THREE MINT FACILITIES SUPPORT SILVER BULLION PRODUCTION

The Mint is the world's largest producer of bullion coins. This year, the San Francisco and Philadelphia Mints joined West Point in the production of American Eagle Silver Bullion coins—operating as “One Mint” by working together across organizational boundaries to achieve a common objective. This collaboration allowed West Point to complete the development and production of the American Eagle Proof Coin, which included edge lettering to commemorate the 30th anniversary of the bullion coin. In order to ensure consistent quality across all production facilities, the three mints had to work closely together to coordinate dies, blanks, assay processes, packaging materials, packaging processes, and shipping schedules.

PLATINUM BULLION COIN RESULTS Prior to July 25, 2016, the Mint had not produced America's official platinum bullion coin, the American Eagle Platinum Bullion Coin, since the spring of FY 2014. During FY 2016, the Mint identified a platinum supplier that met Mint delivery requirements, which allowed the Mint to resume production of platinum bullion. The Mint sold 20 thousand ounces of platinum bullion, generating revenue of \$22.6 million and net loss of \$1.1 million in FY 2016.

The Mint sold its entire inventory of American Eagle Platinum Bullion Coins in FY 2016, with more than 17 thousand units sold within 24 hours of release. The FY 2016 average daily spot price of platinum was \$979.58 per ounce, down 13.5 percent from \$1,132.91 per ounce in the same period last year.



NUMISMATIC PRODUCTS FOR THE PUBLIC

NUMISMATIC

The Mint's numismatic program provides high-quality versions of circulating coinage, precious metal coins, commemorative coins, and medals for sale to the public. Most of the Mint's recurring products—such as United States Mint Uncirculated Coin Sets®, United States Mint Proof Sets®, and United States Mint Silver Proof Sets®—are required by Federal statute. Others, such as commemorative coins and Congressional Gold Medals, are required by individual public laws. A main objective of the numismatic program is to increase the Mint's customer base and foster sales while controlling costs and keeping prices as low as practicable.

NUMISMATIC RESULTS Numismatic product sales decreased to 4.2 million units in FY 2016 compared to 5.4 million units in FY 2015. Silver coin product sales were 54.3 percent lower than last year, due to the late release of the American Eagle Silver products as a result of new legislative requirements for 30th anniversary edge lettering. American Eagle Silver contributed 6.0 percent of overall numismatic revenue in FY 2016, compared to 8.0 percent last year.

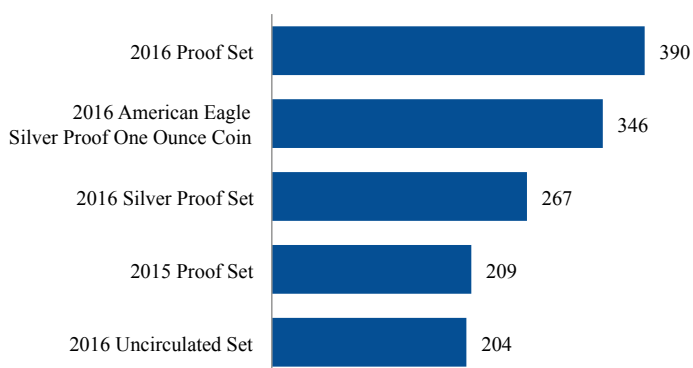
Numismatic revenue was also lower than last year. FY 2016 numismatic revenue was \$413.0 million, a \$40.2 million (8.9 percent) decrease from FY 2015 because of a \$45.3 million decrease in revenue from silver coin products. The American Eagle Silver One Ounce Proof Coin contributed \$25.8 million to revenue this year, which was \$10.7 million (29.3 percent) lower than FY 2015.

The 2016 United States Mint Proof Set and the 2016 American Eagle Silver One Ounce Proof Coin were the most popular sellers (in terms of units) this year, selling a combined 736 thousand units. Sales for these products were 25.4 percent lower than they were last year.

Gold and platinum numismatic products generated the largest share of revenue (56.6 percent) compared to the other numismatic products. This category generated \$233.7 million in numismatic revenue compared to \$179.3 million revenue generated by the other categories. Annual recurring sets recorded a \$24.1 million net loss in FY 2016. The numismatic net margin decreased to 8.4 percent in FY 2016 from 14.7 percent in FY 2015.

FY 2016 numismatic COGS decreased 1.8 percent by \$5.7 million, driven by the reduced sales of silver products. SG&A expenses decreased 3.4 percent this year.

Top Selling Products Fiscal Year
(units sold in thousands)





AMERICAN SILVER EAGLE FEATURES 30TH ANNIVERSARY EDGE LETTERING

The Mint issued numismatic editions of the American Silver Eagle Bullion Coins featuring smooth edges with “30TH ANNIVERSARY” lettering instead of the typical reeded edges.

The change commemorated the 30th anniversary of the coins and is in effect only through 2016.

The edge-incused lettering required development of new, special tooling, die preparation, and intensive testing and evaluation. Multiple Mint teams collaborated over an accelerated period of several months to overcome the technical challenges associated with striking the edge-lettered coins and create the final product.

NUMISMATIC (dollars in millions)

	2016	2015	2014	2013	2012	% Change 2015 to 2016
Units Sold (Thousands)	4,159	5,379	5,725	5,509	5,559	(22.7%)
Sales Revenue	\$ 413.0	\$ 453.2	\$ 504.5	\$ 512.4	\$ 481.2	(8.9%)
Gross Cost	\$ 378.5	\$ 386.4	\$ 453.7	\$ 416.6	\$ 407.3	(2.0%)
Cost of Goods Sold	\$ 316.6	\$ 322.3	\$ 386.3	\$ 356.5	\$ 346.1	(1.8%)
Selling, General & Administrative	\$ 61.9	\$ 64.1	\$ 67.4	\$ 60.1	\$ 61.2	(3.4%)
Net Income & Seigniorage	\$ 34.5	\$ 66.8	\$ 50.8	\$ 95.8	\$ 73.9	(48.4%)
Numismatic Net Margin	8.4%	14.7%	10.1%	18.7%	15.4%	(42.9%)
Seigniorage Portion	\$ 25.6	\$ 26.0	\$ 28.1	\$ 29.3	\$ 22.9	(1.5%)

Net Income & Seigniorage figures are before protection costs. Seigniorage portion results from the sale of circulating coins (boxes, bags and rolls) directly to the public through the numismatic channels.

NUMISMATIC REVENUE, COST, AND NET INCOME OR SEIGNIORAGE BY PROGRAM
(dollars in millions)

2016	Gold and Platinum Coin Products	Silver Coin Products	Annual Sets*	Quarter Products	Presidential and First Spouse Medals	Commemorative	Miscellaneous	Total
Units Sold (Thousands)	332	656	1,278	503	808	289	293	4,159
Sales Revenue	\$ 233.7	\$ 41.7	\$ 47.7	\$ 11.9	\$ 36.4	\$ 22.9	\$ 18.7	\$ 413.0
Gross Cost	\$ 192.6	\$ 29.4	\$ 71.8	\$ 16.9	\$ 24.1	\$ 21.7	\$ 22.0	\$ 378.5
Cost of Goods Sold	\$ 185.0	\$ 22.4	\$ 50.3	\$ 11.3	\$ 14.6	\$ 17.8	\$ 15.2	\$ 316.6
Selling, General & Administrative	\$ 7.6	\$ 7.0	\$ 21.5	\$ 5.6	\$ 9.5	\$ 3.9	\$ 6.8	\$ 61.9
Net Income & Seigniorage	\$ 41.1	\$ 12.3	\$ (24.1)	\$ (5.0)	\$ 12.3	\$ 1.2	\$ (3.3)	\$ 34.5
Numismatic Net Margin	17.6%	29.5%	(50.5%)	(42.0%)	33.8%	5.2%	(17.6%)	8.4%
Seigniorage Portion	\$ —	\$ —	\$ —	\$ 2.5	\$ 20.1	\$ —	\$ 3.0	\$ 25.6
2015	Gold and Platinum Coin Products	Silver Coin Products	Annual Sets*	Quarter Products	Presidential and First Spouse Medals	Commemorative	Miscellaneous	Total
Units Sold (Thousands)	169	1,436	1,403	512	1,067	479	313	5,379
Sales Revenue	\$ 206.2	\$ 87.0	\$ 52.4	\$ 12.2	\$ 48.4	\$ 26.3	\$ 20.7	\$ 453.2
Gross Cost	\$ 162.9	\$ 60.0	\$ 60.9	\$ 14.0	\$ 27.2	\$ 21.8	\$ 39.6	\$ 386.4
Cost of Goods Sold	\$ 160.3	\$ 44.7	\$ 41.2	\$ 9.5	\$ 17.2	\$ 16.8	\$ 32.6	\$ 322.3
Selling, General & Administrative	\$ 2.6	\$ 15.3	\$ 19.7	\$ 4.5	\$ 10.0	\$ 5.0	\$ 7.0	\$ 64.1
Net Income & Seigniorage	\$ 43.3	\$ 27.0	\$ (8.5)	\$ (1.8)	\$ 21.2	\$ 4.5	\$ (18.9)	\$ 66.8
Numismatic Net Margin	21.0%	31.0%	(16.2%)	(14.8%)	43.8%	17.1%	(91.3%)	14.7%
Seigniorage Portion	\$ —	\$ —	\$ —	\$ 2.4	\$ 20.6	\$ —	\$ 3.0	\$ 26.0
2014	Gold and Platinum Coin Products	Silver Coin Products	Annual Sets*	Quarter Products	Presidential and First Spouse Medals	Commemorative	Miscellaneous	Total
Units Sold (Thousands)	197	1,222	1,477	573	996	918	342	5,725
Sales Revenue	\$ 246.4	\$ 77.9	\$ 52.9	\$ 13.6	\$ 45.5	\$ 46.5	\$ 21.7	\$ 504.5
Gross Cost	\$ 206.9	\$ 69.3	\$ 69.8	\$ 16.1	\$ 21.8	\$ 42.6	\$ 27.2	\$ 453.7
Cost of Goods Sold	\$ 202.9	\$ 58.0	\$ 47.4	\$ 10.8	\$ 12.2	\$ 34.1	\$ 20.9	\$ 386.3
Selling, General & Administrative	\$ 4.0	\$ 11.3	\$ 22.4	\$ 5.3	\$ 9.6	\$ 8.5	\$ 6.3	\$ 67.4
Net Income & Seigniorage	\$ 39.5	\$ 8.6	\$ (16.9)	\$ (2.5)	\$ 23.7	\$ 3.9	\$ (5.5)	\$ 50.8
Numismatic Net Margin	16.0%	11.0%	(31.9%)	(18.4%)	52.1%	8.4%	(25.3%)	10.1%
Seigniorage Portion	\$ —	\$ —	\$ —	\$ 2.5	\$ 22.0	\$ —	\$ 3.6	\$ 28.1

*Annual Sets are the United States Mint Silver Proof Set, United States Mint Proof Set, and United States Mint Uncirculated Coin Set.



MINT RELEASES ICONIC ANNIVERSARY COINS

The Mint commemorated the 100th anniversary of three coin designs originally issued in 1916: the Winged Liberty dime, Standing Liberty quarter, and Walking Liberty half-dollar. The original three designs featured distinct obverse designs, a notable break from convention at the time.

The Winged Liberty dime became known as the “Mercury” dime for Liberty’s resemblance to the Roman god of commerce. Designed by Adolph A. Weinman and minted until 1945, the coin’s reverse features a Roman fasces and an olive branch, juxtaposing America’s military readiness with its desire for peace. The Standing Liberty quarter, minted until 1930, was designed by Hermon A. MacNeil. The quarter’s obverse depicts Liberty holding a shield and an olive branch. The Walking Liberty half-dollar, also designed by Weinman, was minted until 1947. The half-dollar’s obverse portrays Liberty as she strides toward the sunrise of a new day.

COMMEMORATIVE COINS

Commemorative coin programs are created by acts of Congress to honor a person, place, organization, or event. The price of each coin ordinarily includes a surcharge authorized to be paid to designated recipient organizations.

Two commemorative coin programs began in FY 2016. The National Park Service 100th Anniversary program had revenue of \$13.6 million with surcharges of \$1.9 million through September 30. The surcharges support National Park Foundation projects intended to preserve, protect, and promote National Park Service resources for public enjoyment. The Mark Twain program had revenue of \$11.1 million with surcharges of \$1.6 million through September 30. The surcharges support Twain’s legacy through the following four institutions: the Mark Twain House & Museum; the Mark Twain Boyhood Home and Museum; the University of California, Berkeley; and Elmira College. These programs run through December 31, 2016.

Two commemorative coin programs ended during FY 2016. The 2015 U.S. Marshals Service 225th Anniversary program had revenue of \$22.2 million with surcharges of \$3.1 million. The first \$5 million in surcharges supported the U.S. Marshals Museum, Inc., with the remaining surcharges divided among the National Center for Missing and Exploited Children, the Federal Law Enforcement Officers Association Foundation, and the National Law Enforcement Officers Memorial Fund. The 2015 March of Dimes Commemorative Coin Program had revenue of \$8.5 million with surcharges of \$1.6 million collected for its recipient organization, the March of Dimes Foundation, to help finance research, education, and services aimed at improving the health of women, infants and children. These programs ran through December 31, 2015.

CONGRESSIONAL GOLD MEDALS

The Mint produces a variety of medals to commemorate significant historical events or sites and to honor those whose superior deeds and achievements have enriched U.S. history or the world. This year, the Mint produced four Congressional Gold Medals, the highest expression of national appreciation for distinguished achievements and contributions.

- Monuments Men – Members of the Monuments, Fine Arts, and Archives program of the Allied Armies risked their lives to prevent the loss of countless artistic and cultural artifacts during World War II.
- 1965 Selma to Montgomery Voting Rights Marches – Despite violent resistance from armed state troopers during the “Bloody Sunday” march, peaceful demonstrators successfully reached the Alabama State Capitol on March 25 and spurred national support for the voting rights movement.
- U.S. Army 65th Infantry Regiment “Borinqueneers” – This U.S. Army unit was established as a segregated Puerto Rican regiment and served with distinction in World War I, World War II, and the Korean War. The unit was fully integrated in 1953.
- St. Regis Mohawk Tribe and Pueblo of Laguna Tribe Native American Code Talkers – These Native American tribes served in the U.S. armed forces and used their native languages to transmit coded tactical messages during World War I and World War II.

MINT WINS COIN OF THE YEAR AWARDS

The Mint won three 2016 World Coin News awards, including Coin of the Year, for its 2014 National Baseball Hall of Fame Commemorative Coin. An international panel of judges voted the clad half dollar coin, which also won Most Innovative Coin, as the best overall out of ten category winners for the competition. The Mint also won the Best Gold Coin award for the gold five-dollar version of the coin. These unique coins featured the first-ever curved design produced by the Mint, with a concave obverse depicting an open baseball glove and a convex reverse resembling a baseball. The coins commemorated the 75th anniversary of the establishment of the National Baseball Hall of Fame and ranked among the most popular and successful commemorative programs in Mint history, with the 50,000 gold coins selling out within 24 hours. Mint Principal Deputy Director Rhett Jeppson accepted the awards in February 2016 at the World Money Fair in Berlin, Germany.



BORINQUENEERS RECEIVE CONGRESSIONAL GOLD MEDAL

On April 13, 2016, the 65th Infantry Regiment received the Congressional Gold Medal during a ceremony in Emancipation Hall in the United States Capitol Visitor Center. Members of this segregated Puerto Rican regiment called themselves the Borinqueneers, from the Taino word for Puerto Rico, and served in World War I, World War II, and the Korean War. Though faced with adversity and restricted to noncombat roles during World War I, the Borinqueneers fought with great distinction in some of the fiercest battles of World War II, and by 1953 the regiment was fully integrated. The Medal's designs feature an unnamed member of the 65th Infantry Regiment and a "garita," a dome-covered sentry box and Puerto Rican cultural symbol.



One Mint employee, Idalia Smith (Manufacturing Finance and Systems Support), fully understands and appreciates the significance of this honor. Her father, Wilfredo De La Paz, enlisted in 1940 at the age of 18 and served as a Borinqueneer paratrooper during World War II. De La Paz passed away in 2001, and Smith attended the ceremony in his memory. "That he would jump out of an aircraft in the early 1940s says everything about him," Smith said. "He was unafraid, at the front of the line, and ready to do what was needed of him. He was a true reflection of a Borinqueneer. This [Congressional Gold Medal] is an honor that is well deserved by all Borinqueneers."

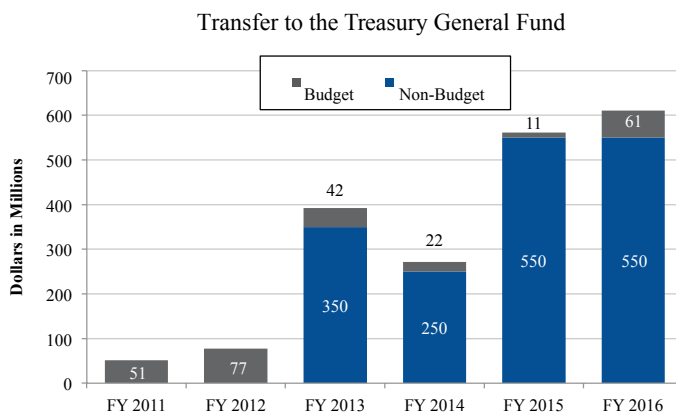
PEF EARNINGS AND TRANSFERS TO THE TREASURY GENERAL FUND

As required by 31 U.S.C. § 5136, the Mint deposits all receipts from operations and programs into the PEF. Periodically, the Mint transfers amounts in the PEF determined to be in excess of amounts required to support ongoing operations and programs. The circulating, bullion, and numismatic program data exclude costs for the protection of custodial assets activity. Consolidated earnings are discussed below to provide a status of the entirety of the PEF compared to prior periods.

FY 2016 Protection costs increased by 10.6 percent to \$45.0 million compared to \$40.7 million last year. FY 2016 PEF earnings after Protection costs decreased to \$623.5 million compared to \$628.0 million last year, driven by increased depreciation in Protection.

The Mint made two transfers to the Treasury General Fund this fiscal year totaling \$611 million. In FY 2015, the Mint transferred \$561 million. The Mint makes two types of transfers. Non-budget transfers from the PEF consist of seigniorage, which is not treated as a budgetary receipt to the Government, but as a means of financing. Budget transfers to the Treasury General Fund from the PEF usually consist of numismatic net income and can be treated as a budgetary receipt to the Government.

In December 2015, the Mint made a budget transfer of \$61 million from numismatic and bullion earnings to the Treasury General Fund, compared to \$11 million transferred last year. On September 30, 2016, the Mint made a non-budget transfer of \$550 million to the Treasury General Fund, the same amount that was transferred last year.



FOSTER A SAFE, FLEXIBLE, DIVERSE, AND ENGAGED WORKFORCE

The Mint's employees are at the heart of the organization's success; therefore, the Mint strives to foster a workforce that is safe, flexible, diverse, and engaged. Ensuring the safety of the workforce is paramount. The Mint continues to promote employee awareness of safety protocols, improve training opportunities, and ensure compliance with applicable regulations and standards. The Mint must also maintain its competitive edge by attracting, training, promoting, and retaining high-quality people who bring a diversity of skills, experiences, and backgrounds to their work. Cultivating a more flexible and engaged workforce will allow the Mint to respond to change and continue to deliver on its mission.

MINT CREATES NEW LEADERSHIP DEVELOPMENT PROGRAM

The Mint is in the process of developing a new Leadership and Development Program. Given the aging workforce and increased numbers of retirements across the Federal Government, this program will help the Mint accomplish a critical strategic objective by identifying and developing its future leaders and enhancing its recruitment and hiring capabilities. Through the Program, Mint managers and employees can pursue a direct path to accomplish their leadership and core competency training. The program will enable 24-hour access to courses, instructions, and tools and provide supervisor access to a SharePoint portal to support training schedule planning. Three separate leadership development programs launched in June 2016 and are currently available online. The full courses are scheduled to launch in early FY 2017.

MINT COMPLETES ENVIRONMENTAL ASSESSMENTS

The Mint completed the third cycle of environmental compliance assessments at each of its facilities in FY 2016. Auditors reviewed the Mint's compliance with Federal, state, and local environmental laws and regulations, including the following: the Clean Water Act, the Oil Pollution Act, the Clean Air Act, the Emergency Planning and Community Right-To-Know Act, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation, and Liability Act, and the Toxic Substances Control Act.

The Mint also continues to complete Energy Savings Performance Contracts at its facilities. The Denver Mint is in the process of selecting an Energy Savings Performance Contractor (ESCO) to complete the Preliminary Assessment (PA) phase. The PA is a high-level description of a feasible project based on the ESCO's walk-through audit and information provided by the Mint.

MINT CONTINUES DIGITAL SERVICES STRATEGY

Following the successful rollout of the "MyUSMint" mobile application (app) in July 2015, the Mint is focused on the next components of its Digital Services Strategy (DSS). Current DSS initiatives include creating a user-friendly solution to clearly communicate the Mint's mission, history, and new product releases to its customers. The Mint is also working on a number of new information technology projects inspired by shared priorities across its new Strategic Plan and Digital Services Playbook. Other developments include secure, FedRAMP-authorized services for enterprise email, SharePoint, Lync, and a new Web Content Management System. The Mint will realize a number of benefits from these initiatives, including enhanced digital performance and availability; improved enterprise-wide, data-driven governance and decision making capabilities; reduced data center footprint; and an improved process for publishing and managing content on the www.usmint.gov website.

MINT LAUNCHES ARTIST PORTAL

A cross-functional Mint team led by the DSS Program Management Office successfully launched the Artist Portal, a solution to host current and future Mint coin design competitions online. The Artist Portal provides public information about the competitions, facilitates artist interactions, and enables judges from the Citizens Coin Advisory Committee and the Committee of Fine Arts to receive and score submissions in a secure online environment. The Portal made its debut in February 2016, with the Mint's 2018 World War I American Veterans Centennial Silver Dollar Commemorative Coin design competition, and subsequently supported the 2018 Breast Cancer Awareness Commemorative Coin design competition. The Portal will also be used to support future Mint design competitions and Calls for Artists, such as the Artistic Infusion Program.

MINT ENHANCES NUMISMATIC AND BULLION PRODUCT LIFECYCLES

As part of its FY2016-FY2020 Strategic Plan, the Mint is focused on enhancing its numismatic and bullion lines of operation. To support this initiative, multiple Mint teams are collaborating to improve the end-to-end lifecycle processes for numismatic and bullion products. This effort will provide the foundation for transformation in three core areas: process, technology, and people.

The Mint teams have already completed successful workshops designed to define the future state, map the processes in place today, and identify critical gaps, dependencies, risks, and opportunities for improvement. The next phase of this initiative is to use Mint technology and systems infrastructure to improve the numismatic and bullion processes, give employees the tools to succeed, and enhance the Mint's reputation for quality.

POLICE TRAINING IMPROVES SECURITY

The United States Mint Police is only one of two Federal police organizations currently accredited by the Commission on Accreditation for Law Enforcement Agencies, a standard-driven body recognized for ensuring best practices amongst its membership. FY 2016 marked the first full year in which the Mint Police incorporated Federal Law Enforcement Training Accreditation (FLETA) for the Field Training Officer program. FLETA uses nationally recognized standards for new officer training and has been adopted by the majority of uniformed law enforcement organizations. The training is intended to increase professionalism, reduce liability, and provide stronger protection for the Mint's assets.

“ONE MINT” – MINT RELEASES FY 2016-2020 STRATEGIC PLAN

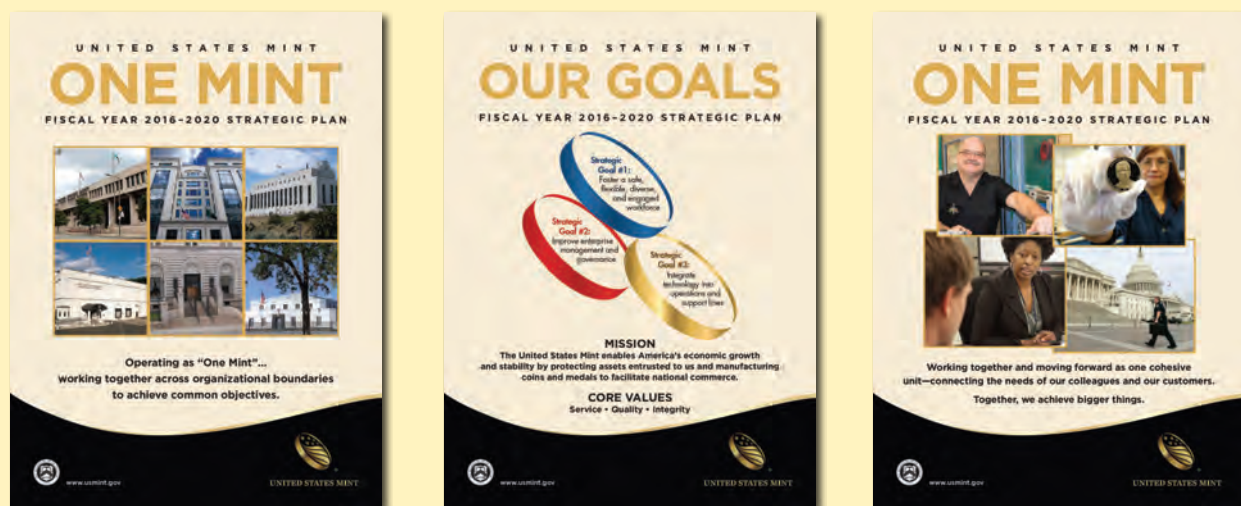
On the eve of celebrating 225 years in operation, the U.S. Mint has earned a reputation as the world’s finest mint and one of the most trusted institutions in the American government. The FY 2016-2020 Strategic Plan, which was released in June 2016, provides the Mint with an actionable roadmap for maintaining that positive reputation and continuing to achieve its mission.

The Strategic Plan articulates three core strategic goals, each with a number of corresponding objectives:

STRATEGIC GOAL 1: Foster a safe, flexible, diverse, and engaged workforce.

STRATEGIC GOAL 2: Improve enterprise management and governance.

STRATEGIC GOAL 3: Integrate technology into operations and support lines.



The Strategic Plan also emphasizes the importance of collaborative teamwork across geographical and organizational boundaries to achieve common objectives by operating as “One Mint.” During the next five years, the Mint will work to become a more agile organization equipped to respond appropriately to changing internal and external conditions. By accomplishing its strategic goals, the Mint will continue to enjoy success while laying the groundwork for a promising future.

“As we continue our nearly 225-year journey, this plan will serve as our compass for the next five years, Mint Principal Deputy Director Rhett Jeppson said. “I look forward to ... the next chapter of that journey.”

ANALYSIS OF SYSTEMS, CONTROLS, AND LEGAL COMPLIANCE

The Mint is responsible for establishing and maintaining effective internal control over financial reporting and has made a conscious effort to meet the internal controls requirements of the Federal Managers' Financial Integrity Act (FMFIA), the Federal Financial Management Improvement Act (FFMIA), Office of Management and Budget (OMB) Circular A-123, and the Government Accountability Office (GAO)'s Standards for Internal Control in the Federal Government. The Mint is operating in accordance with the procedures and standards prescribed by the Comptroller General and OMB guidelines.

The systems of management control for the Mint organization are designed to ensure that:

- Programs achieve their intended results;
- Resources are used consistent with overall mission;
- Programs and resources are free from waste, fraud, and mismanagement;
- Laws and regulations are followed;
- Controls are sufficient to minimize any improper or erroneous payments;
- Performance information is reliable;
- System security is in compliance with all relevant requirements;
- Continuity of operations planning in critical areas is sufficient to reduce risk to reasonable levels;
- Financial management systems are in compliance with Federal financial systems requirements, (i.e., FMFIA Section 4 and FFMIA);
- Complete and accurate data is reported on USASpending.gov; and
- Controls and policies are in place to prevent fraud and inappropriate use of government charge cards.

For all Mint responsibilities, unmodified assurance is provided herein that the above listed management control objectives, taken as a whole, were achieved by our organization during FY 2016. Specifically, this assurance is provided in accordance with Sections 2 and 4 of the FMFIA. The Mint further assures that its financial management systems comply with the requirements imposed by the FFMIA.

The Mint management is responsible for establishing and maintaining adequate internal control over financial reporting, which includes safeguarding of assets and compliance with laws and regulations. The Mint conducted the required Treasury assessment of the effectiveness of its internal controls over financial reporting in accordance with OMB Circular A-123, *Management's Responsibility for Internal Control*. Based on the results of this assessment, the Mint can provide unmodified assurance that its internal control over financial reporting as of June 30, 2016, was operating effectively. No material weaknesses were found in the design or operation of the internal control over financial reporting. In addition, the Mint is committed to maintaining effective internal control, as demonstrated by the following actions:

- Annual audits of the Mint's financial statements pursuant to the Chief Financial Officer Act, as amended, including a) information revealed in preparing the financial statements, b) auditors reports on the financial statements, and c) internal controls and compliance with laws and regulations and other materials related to preparing financial statements.
- Annual performance plans, reviews, and reports pursuant to the Government Performance Results Act, which include analysis and evaluation of performance measures.
- The development, tracking, and closure of corrective actions identified in the Financial Statement Audit and OMB Circular A-123 Assessment.

- Internal management and program reviews conducted for the purpose of assessing management controls.
- Reviews of financial systems for requirements compliance in conjunction with OMB Circular A-123 and FFMIA.
- Reviews of systems, applications, and contingency plans conducted pursuant to the Computer Security Act of 1987 and OMB Circular A-130, *Management of Federal Information Resources*.
- Annual assessments, reviews, and reporting performed in compliance with the Improper Payments Elimination and Recovery Act of 2010 and the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA).
- Reviews and reporting in compliance with the Federal Information Security Management Act (FISMA).

The Mint continues to make improvement in maintaining effective internal control over financial reporting and is committed to monitoring and improving its internal controls throughout the entire organization.

LIMITATIONS OF THE FINANCIAL STATEMENTS

The principal financial statements have been prepared to report the financial position and results of operations of the Mint, pursuant to the requirements of 31 U.S.C. §3515(b). The statements have been prepared from the books and records of the Mint in accordance with generally accepted accounting principles for Federal entities and the formats prescribed by the Office of Management and Budget. The statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records. The statements should be read with the realization that they are for a component of the United States Government.

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

I am pleased to present the Mint's financial statements as part of the FY 2016 Annual Report. Our independent auditors rendered an unmodified or "clean" audit opinion on these financial statements.

The Mint had another successful year. Our positive financial results reflect our continued efforts to minimize costs while delivering exemplary customer service and quality products to the public. We returned to the U.S. Treasury General Fund seigniorage of \$550 million, which will be used to reduce the United States' interest on debt. In the first quarter of FY 2017, we will return the earnings of the numismatic program, \$34.5 million.

Demand for circulating coins increased to 16.3 billion coins, up 1 percent from last year. Circulating revenue was 1 percent lower than last year at \$1,104.2 million.

However, FY 2016 unit costs decreased for all denominations except the penny compared to last year. Lower metal costs and unit costs reduced the net loss on the nickel by \$15.1 million compared to FY 2015. These results demonstrate the Mint's commitment to controlling indirect costs while accomplishing its strategic goals.

The Mint's FY 2016 bullion results featured the return of platinum bullion sales, the first since FY 2014. The Mint sold its entire platinum inventory, selling more than 85 percent of that inventory within 24 hours of release. Gold bullion revenue increased 3.7 percent to \$46.1 million. However, overall bullion demand and revenue decreased in FY 2016, due to a dramatic slowdown in silver bullion demand in the latter half of the year.

FY 2016 demand for numismatic products also decreased as the Mint sold 4.2 million units, down 22.5 percent from last year. Legislation mandated that the Mint issue special American Silver Eagles featuring smooth edges and lettering to commemorate the 30th anniversary of the coins. This effort demanded challenging new production techniques and compressed schedules, and its success speaks volumes of the talent and dedication of our workforce.

In January 2016, the previous CFO was selected as the Mint's Acting Deputy Director for Management. It was my pleasure to step in and manage the CFO team for the remainder of FY 2016. The team continued to build on the strong foundation that my predecessor established, including our focus on customer service, integrity and providing timely and accurate work products. To reinforce this foundation, the Financial Directorate launched the "RISE" initiative in FY 2016. RISE comprises four core operating pillars: to regulate, innovate, support, and engage.

The initiative demonstrates our increased commitment to an engaged workforce, quality products, and excellent customer service. The CFO team also joined the entire Mint in announcing the release of the FY 2016-2020 Strategic Plan. Through its three strategic goals, the plan reinforces the importance of our people, our processes, and our use of technology to support effective internal control and achieve our common mission as "One Mint."

The statements presented herein comply with accounting standards issued by the Federal Accounting Standards Advisory Board (FASAB). The FASAB is designated by the American Institute of Certified Public Accountants as the standard-setting body for the financial statements of Federal Government entities, with respect to establishment of the United States Generally Accepted Accounting Principles. In addition, the Mint conducted a comprehensive assessment of the effectiveness of internal controls over financial reporting. Based upon the results of this review, the Mint can provide unmodified assurance that its internal controls over financial reporting are operating effectively in accordance with Office of Management and Budget Circular A-123.

We are proud that the Mint continues to be strong financially and to help lead the Mint's efforts to operate in the most cost effective manner. We will continue to adhere to sound fiscal principles, look for ways to improve the financial results of operations, and invest wisely in support of our mission to serve our customers.



Margaret M. Yauss
United States Mint
Acting Chief Financial Officer

A handwritten signature in dark ink that reads "Margaret M. Yauss".

Margaret M. Yauss, Acting Chief Financial Officer



KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Auditors' Report

Inspector General
Department of the Treasury

Principal Deputy Director
United States Mint:

Report on the Financial Statements

We have audited the accompanying financial statements of the United States Mint, which comprise the balance sheets as of September 30, 2016 and 2015, and the related statements of net cost, changes in net position, and budgetary resources for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, in accordance with the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in accordance with Office of Management and Budget (OMB) Bulletin No. 15-02, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 15-02 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion on the Financial Statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United States Mint as of September 30, 2016 and 2015, and its net costs, changes in net position, and budgetary resources for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the information in the *Management's Discussion and Analysis and Required Supplementary Information* sections be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The *Principal Deputy Director's Letter, Organizational Profile, The United States Mint at a Glance, Message from the Chief Financial Officer, Other Information and Appendix 1: FY 2016 Coin and Medal Products* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2016 on our consideration of the United States Mint's internal control over financial reporting and our report dated December 9, 2016 on our tests of its compliance with certain provisions of laws, regulations, and contracts and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the United States Mint's internal control over financial reporting and compliance.

December 9, 2016

DEPARTMENT OF THE TREASURY UNITED STATES MINT
BALANCE SHEETS

As of September 30, 2016 and 2015

	2016	2015
	(dollars in thousands)	
Assets		
Intragovernmental:		
Fund Balance with Treasury (Note 3)	\$ 727,959	\$ 1,008,145
Advances and Prepayments (Note 5)	2,181	1,207
Total Intragovernmental Assets	730,140	1,009,352
Custodial Gold and Silver Reserves (Note 6)	10,493,740	10,493,740
Accounts Receivable, Net (Note 4)	15,293	19,252
Inventory (Notes 7 and 20)	736,466	413,118
Supplies	14,212	13,692
Property, Plant and Equipment, Net (Note 8)	188,114	190,267
Advances and Prepayments (Note 5)	1	1
Total Non-Intragovernmental Assets	\$ 11,447,826	\$ 11,130,070
Total Assets (Notes 2 and 14)	\$ 12,177,966	\$ 12,139,422
Heritage Assets (Note 9)		
Liabilities		
Intragovernmental:		
Accounts Payable	\$ 183	\$ 280
Accrued Workers' Compensation and Benefits	8,084	7,646
Due to General Fund	—	1
Total Intragovernmental Liabilities	8,267	7,927
Custodial Liability to Treasury (Note 6)	10,493,740	10,493,740
Accounts Payable	130,705	113,363
Surcharges Payable (Note 3)	5,036	4,328
Accrued Payroll and Benefits	17,774	16,201
Other Actuarial Liabilities	30,931	29,709
Unearned Revenue	578	8,675
Total Non-Intragovernmental Liabilities	\$ 10,678,764	\$ 10,666,016
Total Liabilities (Notes 10)	\$ 10,687,031	\$ 10,673,943
Commitments and Contingencies (Notes 12 and 13)		
Net Position		
Cumulative Results of Operations - Funds from		
Dedicated Collections (Note 14)	1,490,935	1,465,479
Total Liabilities and Net Position	\$ 12,177,966	\$ 12,139,422

The accompanying notes are an integral part of these financial statements

DEPARTMENT OF THE TREASURY UNITED STATES MINT
STATEMENTS OF NET COST

For the years ended September 30, 2016 and 2015

	2016	2015
	(dollars in thousands)	
Numismatic Production and Sales		
Gross Cost	\$ 2,402,850	\$ 2,445,903
Less Earned Revenue	(2,467,131)	(2,547,728)
Net Program Cost (Revenue)	(64,281)	(101,825)
Numismatic Production and Sales of Circulating Coins		
Gross Cost	5,590	5,599
Less Earned Revenue (Note 16)	(5,590)	(5,599)
Net Program Cost (Revenue)	—	—
Circulating Production and Sales		
Gross Cost	525,535	573,142
Less Earned Revenue (Note 16)	(525,535)	(573,142)
Net Program Cost (Revenue)	—	—
Net Cost (Revenue) Before Protection of Assets	(64,281)	(101,825)
Protection of Assets		
Protection Costs	45,017	40,724
Less Earned Revenue	—	—
Net Cost of Protection of Assets	45,017	40,724
Net Cost (Revenue) from Operations (Notes 14 and 15)	\$ (19,264)	\$ (61,101)

The accompanying notes are an integral part of these financial statements

DEPARTMENT OF THE TREASURY UNITED STATES MINT
STATEMENTS OF CHANGES IN NET POSITION

For the years ended September 30, 2016 and 2015

	2016	2015
	(dollars in thousands)	
Cumulative Results of Operations		
Net Position, Beginning of Year - Funds from Dedicated Collections	\$ 1,465,479	\$ 1,386,650
Financing Sources:		
Transfers to the Treasury General Fund Budget (Note 19)	(61,000)	(11,000)
Transfers to the Treasury General Fund Non-Budget (Note 19)	(550,000)	(550,000)
Other Financing Sources (Seigniorage) (Note 16)	604,217	566,865
Imputed Financing Sources (Note 11)	12,975	11,863
Total Financing Sources	6,192	17,728
Net Revenue from Operations	19,264	61,101
Net Position, End of Year - Funds from		
Dedicated Collections (Note 14)	\$ 1,490,935	\$ 1,465,479

The accompanying notes are an integral part of these financial statements

DEPARTMENT OF THE TREASURY UNITED STATES MINT
STATEMENTS OF BUDGETARY RESOURCES

For the years ended September 30, 2016 and 2015

	2016	2015
	(dollars in thousands)	
Budgetary Resources:		
Unobligated balance, brought forward, October 1	\$ 576,217	\$ 377,478
Recoveries of prior-year unpaid obligations	16,618	15,469
Other changes in unobligated balance	(57,941)	(10,985)
Unobligated balance from prior year budget authority, net	534,894	381,962
Spending Authority from Offsetting Collections	3,043,410	3,131,164
Total Budgetary Resources	<u>\$ 3,578,304</u>	<u>\$ 3,513,126</u>
Status of Budgetary Resources:		
Obligations Incurred (Note 17)	\$ 3,277,573	\$ 2,936,909
Unobligated balance, end of year	300,731	576,217
Apportioned	183,851	576,217
Unapportioned	116,880	—
Total Budgetary Resources	<u>\$ 3,578,304</u>	<u>\$ 3,513,126</u>
Change in Obligated Balances:		
Unpaid obligations:		
Unpaid obligations, brought forward, October 1	\$ 431,928	\$ 409,279
Obligations Incurred (Note 17)	3,277,573	2,936,909
Gross Outlays	(3,265,655)	(2,898,791)
Recoveries of Prior Year Unpaid Obligations	(16,618)	(15,469)
Unpaid obligations, end of year	<u>\$ 427,228</u>	<u>\$ 431,928</u>
Uncollected Payments:		
Uncollected customer payments from Federal		
Sources, Brought Forward, October 1	\$ —	\$ (5,984)
Change in uncollected customer payments from Federal sources	—	5,984
Uncollected payments, Federal sources, end of year	<u>\$ —</u>	<u>\$ —</u>
Memorandum (non-add) entries:		
Obligated balance, start of year	\$ 431,928	\$ 403,295
Obligated Balance, end of year	<u>\$ 427,228</u>	<u>\$ 431,928</u>
Budget Authority and Outlays, Net:		
Budget Authority, gross	\$ 3,043,410	\$ 3,131,164
Actual offsetting collections	(3,046,469)	(3,137,163)
Change in uncollected customer payments from Federal Sources	—	5,984
Recoveries of prior year paid obligations	3,059	15
Budget Authority, net	<u>\$ —</u>	<u>\$ —</u>
Outlays, gross	\$ 3,265,655	\$ 2,898,791
Actual offsetting collections	(3,046,469)	(3,137,163)
Outlays, Net	219,186	(238,372)
Distributed Offsetting Receipts	(2)	(1)
Agency Outlays, Net	<u>\$ 219,184</u>	<u>\$ (238,373)</u>

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the Years Ended September 30, 2016 and 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY Established in 1792, the United States Mint (Mint) is a bureau of the Department of the Treasury (Treasury). The mission of the Mint is to serve the American people by manufacturing and distributing circulating, precious metal and collectible coins, national medals, and providing security over assets entrusted to us. Numismatic products include medals; proof coins; uncirculated coins; platinum, gold, and silver bullion coins; commemorative coins; and related products or accessories. Custodial assets consist of the United States gold and silver reserves. These custodial assets are often referred to as “deep storage” and “working stock,” and are reported on the Balance Sheet.

The production of numismatic products is financed through sales to the public. The production of circulating coinage is financed through sales of coins at face value to the Federal Reserve Banks (FRBs). Additionally, the Mint sells certain circulating products directly to the public as numismatic items. Activities related to protection of United States gold and silver reserves are funded by the Mint Public Enterprise Fund (PEF). Pursuant to Public Law 104-52, *Treasury, Postal Service, and General Government Appropriation Act for FY 1996*, as codified at 31 U.S.C. § 5136, the PEF was established to account for all receipts and expenses related to production and sale of numismatic items and circulating coinage, as well as protection activities. Expenses accounted for in the PEF include the entire cost of operating the bureau. Any amount in the PEF that is determined to be in excess of the amount required by the PEF is transferred to the Treasury General Fund.

Treasury’s Bullion Fund (Bullion Fund) is used to account for United States gold and silver reserves. Separate Schedules of Custodial Deep Storage Gold and Silver Reserves have been prepared for the deep storage portion of the United States gold and silver reserves for which the Mint serves as custodian.

BASIS OF ACCOUNTING AND PRESENTATION The accompanying financial statements were prepared based on the reporting format promulgated by Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*, and in accordance with accounting standards issued by the Federal Accounting Standards Advisory Board (FASAB). The Mint’s financial statements have been prepared to report the financial position, net cost of operations, changes in net position, and budgetary resources, as required by 31 U.S.C. § 5134.

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates. Accounts subject to estimates include, but are not limited to, depreciation, imputed costs, payroll and benefits, accrued worker’s compensation, allowance for uncollectible accounts receivable, and unemployment benefits.

The accompanying financial statements have been prepared on the accrual basis of accounting. Under the accrual method, revenues and other financing sources are recognized when earned and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash.

EARNED REVENUES AND OTHER FINANCING SOURCES (SEIGNIORAGE)

Numismatic Sales: Revenue from numismatic sales to the public is recognized when products are shipped to customers. Prices for most numismatic products are based on the product cost plus a reasonable net margin. Bullion coins are priced based on the market price of the precious metals plus a premium to cover manufacturing, marketing, and distribution costs.

Numismatic Sales of Circulating Coins: Specially packaged products containing circulating coins are sold directly to the public rather than to the FRB. These products are treated as a circulating and numismatic hybrid product. Revenue is recognized when products are shipped to customers.

Circulating Sales: The PEF provides for the sale of circulating coinage at face value to the FRBs. Revenue from the sale of circulating coins is recognized when the product is shipped to the FRBs. Revenue from the sale of circulating coins to the FRBs and numismatic sales of circulating coins to the public is limited to the recovery of the cost of manufacturing and distributing those coins. Seigniorage is a financing source and not considered as revenue.

Other Financing Sources (Seigniorage): Seigniorage equals the face value of newly minted coins, less the cost of production (which includes the cost of metal, manufacturing, and transportation). Seigniorage adds to the government's cash balance, but unlike the payment of taxes or other receipts, it does not involve a transfer of financial assets from the public. Instead, it arises from the exercise of the government's sovereign power to create money and the public's desire to hold financial assets in the form of coins. Therefore, the President's budget excludes seigniorage from receipts and treats it as a means of financing.

Rental Revenue: The Mint sublets office space at cost to other federal entities in a leased building in Washington, D.C. A commercial vendor subleases a portion of the first floor space of the same building.

FUND BALANCE WITH TREASURY All cash is maintained at the Treasury. Fund Balance with Treasury is the aggregate amount of the Mint's cash accounts with the United States government's central accounts and from which the bureau is authorized to make expenditures. It is an asset because it represents the Mint's claim to United States government resources.

ACCOUNTS RECEIVABLE Accounts receivable are amounts owed to the Mint from the public and other federal entities. An allowance for uncollectible accounts receivable is established for all accounts that are more than 120 days past due. However, the Mint will continue collection action on those accounts that are more than 120 days past due, as specified by the *Debt Collection Improvement Act of 1996*.

INVENTORIES Inventories of circulating and numismatic coinage are valued at the lower of either cost or market. Costs of the metal and fabrication components of the inventories are determined using a weighted average inventory methodology. Conversion costs (i.e., the cost to convert the fabricated blank into a finished coin) are valued using a standard cost methodology. The Mint uses three classifications for inventory: raw material (raw metal, unprocessed coil, or blanks), work-in-process (WIP – material being transformed to finished coins), and finished goods (coins that are packaged or bagged and ready for sale or shipment to the public or the FRB).

UNITED STATES CUSTODIAL GOLD AND SILVER RESERVES United States gold and silver reserves consist of both “deep storage” and “working stock” gold and silver.

Deep Storage is defined as that portion of the United States gold and silver reserves which the Mint secures in sealed vaults. Deep storage gold comprises the vast majority of the bullion reserve and consists primarily of gold bars. Deep storage silver is also primarily in bar form.

Working Stock is defined as that portion of the United States gold and silver bullion reserves which the Mint can use as the raw material for minting coins. Working stock gold comprises only about one percent of the gold bullion reserve and consists of bars, blanks, unsold coins, and condemned coins. Similarly, working stock silver consists of bars, blanks, unsold coins, and condemned coins.

Treasury allows the Mint to use some of its gold as working stock in the production of gold coins. This allows the Mint to avoid the market risk associated with buying gold in advance of the sales date of the gold coins. The Mint replenishes the Treasury gold working stock at or just prior to the time the coins are sold. Generally, the Mint does not deplete the working stock used in production. Instead, the Mint will purchase a like amount of gold on the open market to replace the working stock used.

Treasury also allows the Mint to use silver as working stock. However, Treasury does not have enough silver to fulfill all Mint manufacturing needs. Accordingly, for the purpose of avoiding market risk associated with owning silver, the Mint has entered into a silver hedging arrangement (see Note 20).

SUPPLIES Supplies are items that are not considered inventory and are not a part of the finished product. These items include plant engineering and maintenance supplies, as well as die steel and coin dies. Supplies are accounted for using the consumption method, in which supplies are recognized as assets upon acquisition and expensed as they are consumed.

ADVANCES AND PREPAYMENTS Payments in advance of the receipt of goods and services are recorded as an asset at the time of prepayment, and are expensed when related goods and services are received or used.

PROPERTY, PLANT, AND EQUIPMENT Property, plant, and equipment are valued at cost, less accumulated depreciation. The Mint’s threshold for capitalizing new property, plant, and equipment is \$25,000 for single purchases and \$500,000 for bulk purchases. Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets as follows:

Computer Equipment	3 to 5 years
Software	2 to 10 years
Machinery and Equipment	7 to 20 years
Structures, Facilities, and Leasehold Improvements	10 to 30 years

Major alterations and renovations are capitalized over a 20-year period, or the remaining useful life of the asset (whichever is shorter) and depreciated using the straight-line method, while maintenance and repair costs are charged to expense as incurred. There are no restrictions on the use or convertibility of general property, plant, and equipment.

HERITAGE ASSETS Heritage assets are items that are unique because of their historical, cultural, educational, or artistic importance. These items are collection-type assets that are maintained for exhibition and are preserved indefinitely.

LIABILITIES Liabilities represent actual and estimated amounts likely to be paid as a result of transactions or events that have already occurred. All liabilities covered by budgetary resources can be paid from revenues received by the PEF.

SURCHARGES Public laws authorizing commemorative coin and medal programs often require that the sales price of each coin include an amount called a surcharge. A surcharge is an authorized collection and payment of funds to a qualifying organization for the purposes specified. A surcharges payable account is established for surcharges collected, but not yet paid, to designated recipient organizations.

Recipient organizations cannot receive surcharge payments unless all of the Mint's operating costs for the coin program are fully recovered. The Mint may make interim surcharge payments during a commemorative program if the recipient organization meets the eligibility criteria in the authorizing public law, if the recovery of all costs of the program is determinable, and if the Mint is assured it is not at risk of a loss. Additionally, recipient organizations must demonstrate that they have raised from private sources an amount equal to or greater than the surcharges collected based on sales. Recipient organizations must also prove compliance with Title VI of the Civil Rights Act of 1964 and other applicable civil rights laws. A recipient organization has two years from the end of the program to meet the matching funds requirement.

FUNDS FROM DEDICATED COLLECTIONS Pursuant to 31 U.S.C. § 5136, the PEF was established as the sole funding source for Mint activities. The PEF meets the requirements of a fund from dedicated collections as defined in Statement of Federal Financial Accounting Standards (SFFAS) No. 43, *Funds from Dedicated Collections: Amending SFFAS No. 27, Identifying and Reporting Earmarked Funds*. As non-entity and non-PEF assets, the United States gold and silver bullion reserves are not considered to be funds from dedicated collections.

UNEARNED REVENUES These are amounts received for numismatic orders which have not yet been shipped to the customer.

RETURN POLICY If for any reason a numismatic customer is dissatisfied, the entire product must be returned within seven days of receiving the order to receive a refund or replacement. Shipping charges are not refunded. Further, the Mint will not accept partial returns or issue partial refunds. Historically, the Mint receives few returns, which are immaterial. Therefore, no reserve for returns is considered necessary.

SHIPPING AND HANDLING The Mint reports shipping and handling costs of circulating coins and numismatic products as a cost of goods sold. General postage costs for handling administrative mailings are reported as part of the Mint's general and administrative expenses.

ANNUAL, SICK AND OTHER LEAVE Annual leave is accrued when earned and reduced as leave is taken. The balance in the accrued leave account is calculated using current pay rates. Sick leave and other types of non-vested leave are charged to operating costs as they are used.

ACCRUED WORKERS' COMPENSATION AND OTHER ACTUARIAL LIABILITIES The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to cover Federal civilian employees injured on the job or who have developed a work-related occupational disease, and to pay beneficiaries of employees whose deaths are attributable to job-related injuries or occupational disease. The FECA program is administered by the United States Department of Labor (DOL), which pays valid claims and subsequently seeks reimbursement from the Mint for these paid claims. The FECA liability is based on two components. The first component is based on actual claims paid by DOL but not yet reimbursed by the Mint. There is generally a two- to three-year time period between payment by DOL and DOL's request for reimbursement from the Mint. The second component is the actuarial liability, which estimates the liability for future payments as a result of past events. The actuarial liability includes the expected liability for death, disability, medical, and miscellaneous costs for approved compensation cases.

PROTECTION COSTS United States gold and silver reserves are in the custody of the Mint, which is responsible for safeguarding the reserves. These costs are borne by the Mint, but are not directly related to the circulating or numismatic coining operations of the Mint. The Protection Department is a separate function from coining operations and is responsible for safeguarding the reserves, as well as Mint employees and facilities.

OTHER COSTS AND EXPENSES (MUTILATED AND UNCURRENT) Other costs and expenses consist primarily of returns of mutilated or uncurrent coins to the Mint. Coins that are chipped, fused, and/or not machine-countable are classified as mutilated. The Mint reimburses the entity that sent in the mutilated coins using weight formulas that estimate the face value of these coins. Uncurrent coins are worn, but machine-countable, and their genuineness and denominations are still recognizable. Uncurrent coins are replaced with new coins of the same denomination by the FRBs. The FRBs then seek replacement coins from the Mint. All mutilated or uncurrent coins received by the Mint are defaced and subsequently sold to its fabrication contractors to be processed into coils or blanks to be used in future coin production.

TAX EXEMPT STATUS As a bureau of the Federal Government, the Mint is exempt from all taxes imposed by any governing body, whether it is a federal, state, commonwealth, local, or foreign government.

CONCENTRATIONS The Mint purchases the coil and blanks used in the production of circulating coins from three vendors at competitive market prices. The Mint also purchases precious metal blanks from four different suppliers.

CONTINGENT LIABILITIES Certain conditions may exist as of the date of the financial statements that may result in a loss to the government, but which will be resolved only when one or more future events occur or fail to occur. The Mint recognizes a loss contingency when the future outflow or other sacrifice of resources is probable and reasonably estimable. Loss contingencies that are determined by management to have a reasonably possible chance of occurring or that cannot be estimated are included as a footnote to the financial statements. Contingent liabilities considered remote are generally not disclosed unless they involve guarantees, in which case the nature of the guarantee is disclosed.

TRANSFERS TO THE TREASURY GENERAL FUND The Mint may transfer amounts determined to be in excess of the amounts required for bureau operations and programs to the Treasury General Fund periodically throughout the fiscal year. Seigniorage derived from the sale of circulating coins and the sale of numismatic products containing circulating coins is a non-budget receipt to the Treasury General Fund. Non-budget means that these funds cannot be used for currently funded programs or to reduce the annual budget deficit. Instead, they are used solely as a financing source (i.e., they reduce the amount of cash that Treasury has to borrow to pay interest on the national debt).

Revenue generated from the sale of numismatic products is transferred to the Treasury General Fund as a budget receipt. Unlike seigniorage, the numismatic transfer amount is available to the Federal Government as current operating cash or it can be used to reduce the annual budget deficit.

BUDGETARY RESOURCES The Mint does not receive an appropriation from the Congress. Instead, the bureau receives all financing from the public and the FRBs, and receives an apportionment of those funds from OMB. This apportionment is considered a budgetary authority, which allows the Mint to spend the funds. The Mint's budgetary resources consist of unobligated balances, transfers, and spending authority from offsetting collections, which is net of amounts that are permanently not available. "Permanently not available" funds are budget transfers to the Treasury General Fund.

DERIVATIVE FINANCIAL INSTRUMENTS The Mint engages in an economic hedging program to avoid the effects of fluctuating silver costs as a result of the changes in market prices. The derivatives used for economic hedging in this program do not qualify for hedge accounting. At the time of purchase of silver inventory used in the production of silver coins, the Mint economically hedges its silver inventory using a silver forward derivative contract. The silver forward derivative contract is settled as silver coins are sold to Authorized Purchasers, and a gain or loss is recognized, which is expected to substantially offset the gain or loss on the fluctuation in price of the silver inventory during that time the forward position remains open.

Each transaction with the trading partner carries a small transaction fee; the fees net to a cost of one-half cent per ounce. The Mint incurred \$184 thousand in hedging fees in FY 2016, compared to \$254 thousand incurred in FY 2015.

RECLASSIFICATIONS Certain amounts in the FY 2015 Statement of Budgetary Resources have been reclassified to conform to the presentation used in FY 2016.

2. NON-ENTITY ASSETS

Components of Non-entity Assets at September 30 are as follows:

(dollars in thousands)	2016	2015
Custodial Gold Reserves (Deep Storage)	\$ 10,355,539	\$ 10,355,539
Custodial Silver Reserves (Deep Storage)	9,148	9,148
Custodial Gold Reserves (Working Stock)	117,514	117,514
Custodial Silver Reserves (Working Stock)	11,539	11,539
Total Non-entity Assets	10,493,740	10,493,740
Total Entity Assets	1,684,226	1,645,682
Total Assets	<u>\$ 12,177,966</u>	<u>\$ 12,139,422</u>

Non-entity assets are those that are held and managed by the Mint on behalf of the U.S. government but are not available for use by the Mint. United States gold and silver bullion reserves, for which the Mint is custodian, are non-entity assets.

3. FUND BALANCE WITH TREASURY

Fund Balance with Treasury at September 30 consists of:

(dollars in thousands)	2016	2015
Revolving Fund	\$ 727,959	\$ 1,008,145
Total of Fund Balance with Treasury	<u>\$ 727,959</u>	<u>\$ 1,008,145</u>
Status of Fund Balance with Treasury		
Unobligated Balance	\$ 300,731	\$ 576,217
Obligated Balance, Not Yet Disbursed	427,228	431,928
Total	<u>\$ 727,959</u>	<u>\$ 1,008,145</u>

The Mint does not receive appropriated budget authority. The Fund Balance with Treasury is entirely available for use to support Mint operations. At September 30, 2016 and 2015, the revolving fund balance included \$5 million and \$4.3 million, respectively, in restricted amounts for possible payment of surcharges to recipient organizations.

4. ACCOUNTS RECEIVABLE, NET

Components of accounts receivable are as follows:

(dollars in thousands)	September 30, 2016		
	Gross Receivables	Allowance	Net Receivables
Intragovernmental	\$ —	\$ —	\$ —
With the Public	15,956	(663)	15,293
Total Accounts Receivable	<u>\$ 15,956</u>	<u>\$(663)</u>	<u>\$ 15,293</u>

(dollars in thousands)	September 30, 2015		
	Gross Receivables	Allowance	Net Receivables
Intragovernmental	\$ —	\$ —	\$ —
With the Public	19,750	(498)	19,252
Total Accounts Receivable	<u>\$ 19,750</u>	<u>\$(498)</u>	<u>\$ 19,252</u>

In FY 2016 and FY 2015, the Mint had no Intragovernmental accounts receivable. Receivables with the public at September 30, 2016 are \$16 million, of which \$11.4 million is owed by fabricators for scrap, webbing, and mutilated coin. The remaining \$4.6 million is owed by the public for numismatic products. This compares to receivables with the public at September 30, 2015, of \$19.7 million, of which \$14.6 million was owed by fabricators for scrap and webbing, in addition to the \$5.1 million owed by the public for numismatic products. The allowance for doubtful accounts is the balance of the accounts receivable with the public that is past due by 120 days or more. Collection action continues on these accounts, but an allowance is recorded.

5. ADVANCES AND PREPAYMENTS

The components of advances and prepayments at September 30 are as follows:

(dollars in thousands)	2016	2015
Intragovernmental	\$ 2,181	\$ 1,207
With the Public	1	1
Total Other Assets	<u>\$ 2,182</u>	<u>\$ 1,208</u>

In FY 2016, the Mint had an Intragovernmental advances and prepayment balance of approximately \$2.2 million, which represented payments made to the United States Postal Service for product delivery services as of September 30, 2016, compared to approximately \$1.2 million paid at September 30, 2015. Advances with the public for both FY 2016 and 2015 are outstanding travel advances to Mint employees who were traveling on government business.

6. CUSTODIAL GOLD AND SILVER RESERVES

As custodian, the Mint is responsible for safeguarding much of the United States gold and silver reserves, which include deep storage and working stock. The asset and the custodial liability to Treasury are reported on the Balance Sheet at statutory rates. In accordance with 31 U.S.C. § 5117(b) and 31 U.S.C. § 5116(b)(2), statutory rates of \$42.2222 per fine troy ounce (FTO) of gold and no less than \$1.292929292 per FTO of silver are used to value the custodial assets held by the Mint.

The market values for gold and silver as of September 30 are determined by the London Gold Fixing (PM) rate. Amounts and values of gold and silver in custody of the Mint as of September 30 are as follows:

	2016	2015
Gold - Deep Storage:		
Inventories (FTO)	245,262,897	245,262,897
Market Value (\$ per FTO)	\$ 1,322.50	\$ 1,114.00
Market Value (\$ in thousands)	\$ 324,360,181	\$ 273,222,867
Statutory Value (\$ in thousands)	\$ 10,355,539	\$ 10,355,539
Gold - Working Stock:		
Inventories (FTO)	2,783,219	2,783,219
Market Value (\$ per FTO)	\$ 1,322.50	\$ 1,114.00
Market Value (\$ in thousands)	\$ 3,680,807	\$ 3,100,506
Statutory Value (\$ in thousands)	\$ 117,514	\$ 117,514
Silver - Deep Storage:		
Inventories (FTO)	7,075,171	7,075,171
Market Value (\$ per FTO)	\$ 19.35	\$ 14.65
Market Value (\$ in thousands)	\$ 136,905	\$ 103,651
Statutory Value (\$ in thousands)	\$ 9,148	\$ 9,148
Silver - Working Stock:		
Inventories (FTO)	8,924,829	8,924,829
Market Value (\$ per FTO)	\$ 19.35	\$ 14.65
Market Value (\$ in thousands)	\$ 172,695	\$ 130,749
Statutory Value (\$ in thousands)	\$ 11,539	\$ 11,539
Total Market Value of Custodial Gold and Silver Reserves (\$ in thousands)	\$ 328,350,588	\$ 276,557,773
Total Statutory Value of Custodial Gold and Silver Reserves (\$ in thousands)	\$ 10,493,740	\$ 10,493,740

7. INVENTORY

The components of inventories at September 30 are summarized below:

(dollars in thousands)	2016	2015
Raw Materials	\$ 288,277	\$ 262,350
Work-In-Process	194,445	58,455
Inventory held for current sale	253,744	92,313
Total Inventory	<u>\$ 736,466</u>	<u>\$ 413,118</u>

Raw materials consist of unprocessed materials and by-products of the manufacturing process and the metal value of unusable inventory, such as scrap or condemned coins, which will be recycled into a usable raw material. In addition, as of September 30, 2016 and 2015, the inventory includes \$523.4 million and \$218.9 million, respectively, which are the market values of the silver hedged. Additional information can be found in Note 20. Work-in-process consists of semi-finished materials.

The Mint leases platinum to avoid the effects of fluctuating platinum costs as a result of the changes in market prices. The Mint leases platinum for a fee of 0.8 percent and takes physical possession of the metal to manufacture platinum bullion coins. Upon sale to the customer, the Mint purchases the platinum from the lessor on the same day for the same market price. In FY 2016 and FY 2015, the Mint paid \$254 thousand and \$222 thousand in leasing fees.

8. PROPERTY, PLANT, AND EQUIPMENT, NET

Components of property, plant and equipment are as follows:

(dollars in thousands)		September 30, 2016	
	Asset Cost	Accumulated Depreciation and Amortization	Total Property, Plant and Equipment, Net
Land	\$ 2,529	\$ —	\$ 2,529
Structures, Facilities and Leasehold Improvements	230,772	(150,742)	80,030
Computer Equipment	25,467	(22,004)	3,463
ADP Software	11,696	(11,334)	362
Construction-In-Progress	11,641	—	11,641
Machinery and Equipment	313,667	(223,578)	90,089
Total Property, Plant and Equipment, Net	<u>\$ 595,772</u>	<u>\$ (407,658)</u>	<u>\$ 188,114</u>

(dollars in thousands)		September 30, 2015	
	Asset Cost	Accumulated Depreciation and Amortization	Total Property, Plant and Equipment, Net
Land	\$ 2,529	\$ —	\$ 2,529
Structures, Facilities and Leasehold Improvements	221,787	(144,446)	77,341
Computer Equipment	28,780	(23,261)	5,519
ADP Software	11,696	(11,249)	447
Construction-In-Progress	9,539	—	9,539
Machinery and Equipment	314,651	(219,759)	94,892
Total Property, Plant and Equipment, Net	<u>\$ 588,982</u>	<u>\$ (398,715)</u>	<u>\$ 190,267</u>

The land and buildings used to manufacture circulating coinage and numismatic products are owned by the Mint and located in Philadelphia, Denver, San Francisco, and West Point. In addition, the Mint owns the land and buildings at the United States Bullion Depository at Fort Knox. Construction-in-progress (CIP) represents assets that are underway, such as in the process of being readied for use, or which are being tested for acceptability, but which are not yet being fully utilized by the Mint and, therefore, not being depreciated. Depreciation and amortization expenses charged to operations during FY 2016 and FY 2015 were \$28.8 million and \$25.6 million, respectively.

9. HERITAGE ASSETS

The Mint maintains collections of heritage assets, which are any property, plant, or equipment that are retained by the Mint for their historic, natural, cultural, educational, or artistic value, or significant architectural characteristics. For example, the Mint's historical artifacts include, among other things, examples of furniture and equipment used in the Mint's facilities over the years, as well as examples of the coin manufacturing process, such as plasters, galvanos, dies, punches, and actual finished coins. The coin collections include examples of the various coins produced by the Mint over the years, separated into collections of pattern pieces/prototypes, coin specimens, quality samples, and exotic metal coin samples. The buildings housing the Mint's facilities at Denver, West Point, San Francisco, and Fort Knox are all considered multi-use heritage assets. The Mint generally does not place a value on heritage assets, even though some of the coins and artifacts are priceless. However, the assets are accounted for, and controlled, for protection and conservation purposes. The following chart represents the Mint's various collections and historical artifacts.

Coin Collections	Quantity of Collections Held September 30,	
	2016	2015
Pattern Pieces/Prototypes	1	1
Coin Specimens	1	1
Quality Samples	1	1
Exotic Metal Coin Samples	1	1
Total	4	4

Historical Artifacts	Quantity of Collections Held September 30,	
	2016	2015
Antiques/Artifacts	1	1
Plasters	1	1
Galvanos	1	1
Dies	1	1
Punches	1	1
Historical Documents	1	1
Multi-use heritage assets	4	4
Total	10	10

10. LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

Components of Liabilities Not Covered by Budgetary Resources at September 30 are as follows:

(dollars in thousands)	2016	2015
Custodial Gold Reserves (Deep Storage)	\$ 10,355,539	\$ 10,355,539
Custodial Silver Reserves (Deep Storage)	9,148	9,148
Working Stock Inventory - Gold	117,514	117,514
Working Stock Inventory - Silver	11,539	11,539
Other	—	—
Total Liabilities Not Covered by Budgetary Resources	<u>\$ 10,493,740</u>	<u>\$ 10,493,740</u>
Total Liabilities Covered by Budgetary Resources	193,291	180,203
Total Liabilities	<u>\$ 10,687,031</u>	<u>\$ 10,673,943</u>

Liabilities not covered by budgetary resources represent the Mint's custodial liabilities to the Treasury that are entirely offset by United States gold and silver reserves held by the Mint on behalf of the federal government.

11. RETIREMENT PLANS, OTHER POST-EMPLOYMENT COSTS AND OTHER IMPUTED COSTS

The Mint contributes seven percent of basic pay for employees participating in the Civil Service Retirement System (CSRS). Most employees hired after December 31, 1983, are automatically covered by the Federal Employees' Retirement System (FERS) and Social Security. A primary feature of FERS is that it offers a savings plan to which the Mint automatically contributes one percent of basic pay and matches employee contributions up to an additional four percent of basic pay. Employees can contribute a specific dollar amount or a percentage of their basic pay, as long as the annual dollar total does not exceed the Internal Revenue Code limit of \$18,000 for calendar year 2016 (a \$6,000 catch-up contribution can be given by participants age 50 and older in addition to the \$18,000 contribution). Employees participating in FERS are covered by the Federal Insurance Contribution Act (FICA), for which the Mint contributes a matching amount to the Social Security Administration.

Although the Mint contributes a portion for pension benefits and makes the necessary payroll deductions, it is not responsible for administering either CSRS or FERS. Administering and reporting on pension benefit programs are the responsibilities of the Office of Personnel Management (OPM).

OPM has provided the Mint with certain cost factors that estimate the cost of providing the pension benefit to current employees. The cost factors of 33.5 percent of basic pay for CSRS-covered employees and 15.1 percent of basic pay for FERS-covered employees were in use for FY 2016. The CSRS and FERS factors were 33.4 percent and 14.8 percent, respectively, in FY 2015.

The amounts that the Mint contributed to the retirement plans and Social Security for the year ended September 30 are as follows:

(dollars in thousands)	2016	2015
Social Security System	\$ 7,889	\$ 7,680
Civil Service Retirement System	707	811
Federal Employees Retirement System (Retirement and Thrift Savings Plan)	16,269	14,906
Total Retirement Plans and Other Post-Employment Cost	<u>\$ 24,865</u>	<u>\$ 23,397</u>

The Mint also recognizes its share of the future cost of pension payments and post-retirement health and life insurance benefits for employees while they are still working with an offset classified as imputed financing. OPM continues to report the overall liability of the Federal Government and make direct recipient payments. OPM has provided certain cost factors that estimate the true cost of providing the post-retirement benefit to current employees. The cost factors relating to health benefits are \$6,266 and \$5,469 per employee enrolled in the Federal Employees Health Benefits Program in FY 2016 and FY 2015, respectively. The cost factor relating to life insurance is two-one hundredths percent (.02 percent) of basic pay for employees enrolled in the Federal Employees Group Life Insurance Program for both FY 2016 and FY 2015.

The amount of imputed cost related to retirement plans and other post-employment costs incurred by the Mint for the year ended September 30 is as follows (before the offset for imputing financing).

(dollars in thousands)	2016	2015
Health Benefits	\$ 9,592	\$ 8,288
Life Insurance	24	23
Pension Expense	2,689	3,145
Total Imputed Retirement and Post-Employment Costs	<u>\$ 12,305</u>	<u>\$ 11,456</u>

In addition to the pension and retirement benefits described above, the Mint records imputed costs and financing for Treasury Judgment Fund payments made on behalf of the Mint. Entries are made in accordance with FASAB Interpretation No. 2. For FY 2016 and FY 2015, there were no payments by the Judgment Fund on behalf of the Mint. Also during FY 2016 and FY 2015, the Mint received unreimbursed services (imputed financing) from another federal agency in the amount of approximately \$670 thousand and \$407 thousand, respectively.

12. LEASE COMMITMENTS AND SUBSEQUENT EVENT

THE MINT AS LESSEE: The Mint leases office and warehouse space from commercial vendors, the General Services Administration (GSA), and the Bureau of Engraving and Printing. In addition, the Mint leases copiers and other office equipment from commercial vendors and vehicles from GSA. With the exception of the commercial lease on an office building in Washington, D.C., all leases are one-year, or one-year with renewable option years. The Headquarters building lease in Washington, D.C. has a term of 20 years with renewal options.

Future Projected Payments:	Leases
FY 2017	\$ 10,024,990
FY 2018	10,179,311
FY 2019	8,575,469
FY 2020	677,403
Total Future Operating Lease Payments	<u>\$ 29,457,173</u>

On October 1, 2016, the Mint renewed its commercial lease on its headquarters building for a term of 20 years with no renewal option years. Base annual rent is initially set at approximately \$8.3 million per year. Total base rent payable over the lease period is \$211 million.

THE MINT AS LESSOR: The Mint sublets office space at cost to several other federal entities in the leased Headquarters building in Washington, D.C. As of September 30, 2016, the Mint sublet in excess of 51,400 square feet in the leased building. Tenants include the Internal Revenue Service and U.S. Marshals Service. Starting September 30, 2016, the Internal Revenue Service lease of approximately 47,000 square feet was canceled. All of the subleases are operating leases and subject to annual availability of funding. The Mint has also entered into an agreement to sublet space in the Headquarters building to a commercial tenant.

Future Projected Receipts:	Building Sub-lease
FY 2017	\$ 404,460
FY 2018	404,460
FY 2019	404,460
Total Future Operating Lease Receipts	<u>\$ 1,213,380</u>

13. CONTINGENCIES

The Mint is subject to legal proceedings and claims which arise in the ordinary course of its business. Judgments, if any, resulting from pending litigation against the Mint generally would be satisfied from the PEF. Likewise, under the *Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002* (No FEAR Act, P. L. 107-174), settlements and judgments related to acts of discrimination and retaliation for whistle blowing will be paid from the PEF.

The Mint is also involved in employment related legal actions (e.g., matters alleging discrimination and other claims before federal courts, the Equal Employment Opportunity Commission, and the Merit Systems Protection Board) for which an unfavorable outcome is reasonably possible, but for which an estimate of potential loss cannot be determined at this time. In the opinion of management, the ultimate resolution of these actions will not have a material adverse effect on the Mint's financial position or the results of its operations.

14. FUNDS FROM DEDICATED COLLECTIONS

Pursuant to 31 U.S.C. § 5136, all receipts from Mint operations and programs, including the production and sale of numismatic items, the production and sale of circulating coinage at face value to the FRB, the protection of government assets, and gifts and bequests of property, real or personal shall be deposited into the PEF and shall be available to fund its operations without fiscal year limitations. The PEF meets the requirements of funds from dedicated collections as defined in SFFAS No. 43, *Funds from Dedicated Collections: Amending SFFAS No. 27, Identifying and Reporting Earmarked Funds*. As non-entity and non-PEF assets, the United States gold and silver reserves are not included in the funds from dedicated collections.

15. INTRAGOVERNMENTAL COSTS AND EARNED REVENUE

Intragovernmental costs and earned revenue reflect transactions in which both the buyer and seller are federal entities. Revenue with the public reflects transactions for goods or services with a non-federal entity. The purpose for this classification is to enable the federal government to prepare consolidated financial statements. The following table provides earned revenues, gross cost, and net program revenue:

(dollars in thousands)	2016	2015
Numismatic Production and Sales		
Cost:		
Intragovernmental:		
Cost of Goods Sold	\$ 15,925	\$ 18,743
Selling, General and Administrative	17,482	19,518
Imputed Costs	6,091	5,347
Total Intragovernmental Costs	39,498	43,608
Public:		
Cost of Goods Sold	2,293,586	2,331,927
Selling, General and Administrative	69,766	70,368
Total Public Cost	2,363,352	2,402,295
Gross Cost	2,402,850	2,445,903
Revenue:		
Intragovernmental:		
Rent Revenues	3,191	2,919
Other Intragovernmental Revenues	35	15
Total Intragovernmental Revenues	3,226	2,934
Public	2,463,905	2,544,794
Total Earned Revenue	2,467,131	2,547,728
Net Program Cost (Revenue)	\$ (64,281)	\$ (101,825)
Numismatic Production and Sales of Circulating Coins		
Cost:		
Intragovernmental:		
Selling, General and Administrative	\$ 156	\$ 171
Total Intragovernmental Costs	156	171
Public:		
Cost of Goods Sold	4,813	4,813
Selling, General and Administrative	621	615
Total Public Cost	5,434	5,428
Gross Cost	5,590	5,599
Revenue:		
Public	5,590	5,599
Total Earned Revenue	5,590	5,599
Net Program Cost (Revenue)	\$ –	\$ –
Circulating Production and Sales		
Cost:		
Intragovernmental:		
Cost of Goods Sold	\$ 3,163	\$ 4,027
Selling, General and Administrative	12,761	13,508
Imputed Costs	6,883	6,517
Total Intragovernmental Costs	22,807	24,052
Public:		
Cost of Goods Sold	455,546	500,995
Selling, General and Administrative	44,223	39,585
Other Costs and Expenses (Mutilated and Uncurrent)	2,959	8,510
Total Public Cost	502,728	549,090
Gross Cost	525,535	573,142
Revenue:		
Other Intragovernmental Revenues	22	7
Public	525,513	573,135
Total Earned Revenue	525,535	573,142
Net Program Cost (Revenue)	\$ –	\$ –
Net Cost (Revenue) Before Protection of Assets	\$ (64,281)	\$ (101,825)

	2016	2015
Protection of Assets		
Cost:		
Intragovernmental:		
Protection Cost	\$ 6,781	\$ 7,878
Public:		
Protection Cost	38,236	32,846
Net Cost of Protection of Assets	\$ 45,017	\$ 40,724
Net Cost (Revenue) from Operations	\$ (19,264)	\$ (61,101)

16. EARNED REVENUE AND OTHER FINANCING SOURCES (SEIGNIORAGE)

The Statement of Net Cost reflects the earned revenue and corresponding gross costs for Circulating Production and Sales and for Numismatic Production and Sales of Circulating Coins. Circulating Production and Sales represents coin sales to the FRB, and Numismatic Production and Sales of Circulating Coins represents sales of circulating coins to the public (i.e., numismatic customers). SFFAS No. 7, *Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting*, provides requirements related to the recognition of net program revenue from production of circulating coins to the cost of metal, manufacturing and transportation. OMB Circular A-136 defines the treatment of other financing sources on the Statement of Changes in Net Position, particularly as it relates to seigniorage. Therefore, on the Statement of Net Cost, earned revenue is recognized only to the extent of the gross cost of production. The difference between those costs and the face value of the coin is an “Other Financing Sources” referred to as seigniorage. Any revenue over face value for circulating coins sold as numismatic items is considered earned revenue and included in the category Numismatic Production and Sales on the Statement of Net Cost.

The following chart reflects the two components of the receipts from the sale of circulating coin – the earned revenue from the Statement of Net Costs and Seigniorage from the Statement of Changes in Net Position for the year ended September 30:

(dollars in thousands)	2016	2015
Revenue-FRB	\$ 525,535	\$ 573,142
Seigniorage-FRB	578,621	540,908
Total Circulating Coins	\$ 1,104,156	\$ 1,114,050
Revenue-with the public	\$ 5,590	\$ 5,599
Seigniorage-with the public	25,596	25,957
Total Numismatic sales of Circulating Coins	\$ 31,186	\$ 31,556
Total Seigniorage	\$ 604,217	\$ 566,865

17. APPORTIONMENT CATEGORIES OF OBLIGATIONS INCURRED

The Mint receives apportionments of its resources from OMB. An apportionment is an OMB-approved plan to use budgetary resources. An apportionment typically limits the obligations an agency may incur for specified time periods, programs, activities, projects, objects, or any combination thereof. All Mint obligations are classified as reimbursable, as they are financed by offsetting collections received in return for goods and services provided. OMB uses several categories to distribute budgetary resources. Category B apportions budgetary resources by program, project, activities, objects or a combination of these categories. The Mint had only category B apportionments in FY 2016 and FY 2015.

The following chart reflects the amount of reimbursable obligations incurred against amounts apportioned under categories B apportionments.

(dollars in thousands)	2016	2015
Category B		
Total Operating Expenses	\$3,248,985	\$2,910,728
Numismatic Capital	18,116	10,967
Circulating and Protection Capital	10,472	15,214
Total Apportionment		
Categories of Obligations Incurred	\$3,277,573	\$2,936,909

18. EXPLANATION OF DIFFERENCES BETWEEN THE STATEMENT OF BUDGETARY RESOURCES AND THE BUDGET OF THE UNITED STATES GOVERNMENT

SFFAS No. 7, *Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting*, requires an explanation of material differences between the Statement of Budgetary Resources (SBR) and the related actual balances published in the Budget of the United States Government (President's Budget). The President's Budget for FY 2016 is expected to be published in February 2017 and made available through OMB. Therefore, the analysis presented here is for the prior year (FY 2015) "actual" figures published in the President's budget in February 2016. The following chart displays the comparison of the FY 2015 SBR and the actual FY 2015 balances included in the FY 2017 President's Budget. The differences between the FY 2015 SBR and the President's Budget are as a result of the Correction of Immaterial Error described below, otherwise there would have been no differences.

(rounded to millions)	September 30, 2015	
	Statement of Budgetary Resources	President's Budget
United States Mint Public Enterprise Fund		
Total Budgetary Resources	\$ 3,513	\$ 3,642
Status of Budgetary Resources:		
Obligations Incurred	\$ 2,937	\$ 2,938
Unobligated Balances-available	576	704
Total Status of Budgetary Resources	\$ 3,513	\$ 3,642
Net Outlays	\$ 238	\$ 238

In connection with the preparation of the current year financial statements, the Mint identified an immaterial error in its FY 2015 Statement of Budgetary Resources that resulted from the Mint's historical budgetary accounting policy to only record as obligations the annual portion of its headquarters building lease payments due each year instead of the obligation amount under the full term of the lease agreement, as required by OMB Circular No. A-11, *Preparation, Submission, and Execution of the Budget*. This error impacted the beginning FY 2015 balances presented in the FY 2015 Statement of Budgetary Resources. As a result of this error, the Unobligated balance, brought forward, October 1, and Total Budgetary Resources line items were overstated by \$130 million, Obligations incurred line item was overstated by \$644 thousand, Unobligated balance, end of year – Apportioned was overstated by \$129 million, and the Unpaid obligations, brought forward, October 1 and Unpaid obligations, end of year line items were understated by \$130 million and \$129 million, respectively. These balances have been corrected in the FY 2015 Statement of Budgetary Resources presented herein.

19. LEGAL ARRANGEMENTS AFFECTING USE OF UNOBLIGATED BALANCES

The PEF statute establishes that all receipts from Mint operations and programs, including the production and sale of numismatic items, the production and sale of circulating coinage, the protection of government assets, and gifts and bequests of property, real or personal, shall be deposited into the PEF and shall be available without fiscal year limitations. Any amount that the Secretary of the Treasury determines to be in excess of the amount required by the PEF shall be transferred to the Treasury for deposit as miscellaneous receipts. At September 30, 2016 and 2015, the Mint transferred excess receipts to the Treasury General Fund of \$611 million and \$561 million, respectively.

20. DERIVATIVE FINANCIAL INSTRUMENTS

At September 30, 2016 and 2015, the silver forward contract fair values were \$0.7 million and \$7.7 million, respectively, which are located in Inventory in the Balance Sheet. The Mint recorded net losses of \$40.2 million on its silver forward contract in FY 2016, compared to net gains of \$77.6 million in FY 2015, located in Gross Cost in the Statements of Net Cost.

21. RECONCILIATION OF NET COST OF OPERATIONS (PROPRIETARY) TO BUDGET

(dollars in thousands)	For The Years Ended September 30,	
	2016	2015
Resources Used to Finance Activities:		
Budgetary Resources Obligated		
Obligations Incurred	\$ 3,277,573	\$ 2,936,909
Less: Spending Authority from		
Offsetting Collections and Recoveries	3,063,087	3,146,648
Less: Offsetting Receipts	2	1
Net Obligations	214,484	(209,740)
Other Resources		
Transfers to the Treasury General Fund Budget	(61,000)	(11,000)
Transfers to the Treasury General Fund Non-Budget	(550,000)	(550,000)
Imputed Financing from Costs Absorbed by Others	12,975	11,863
Other Financing Sources (Seigniorage)	604,217	566,865
Net Other Resources Used to Finance Activities	6,192	17,728
Total Resources Used to Finance Activities	220,676	(192,012)
Resources Used to Finance Items Not Part of the Net Cost of Operations:		
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but Not Yet Provided	(16,110)	(1,128)
Resources that fund Expenses Recognized in Prior Periods	(40)	(24)
Budgetary Offsetting Collections and Receipts That Do Not Affect Net Cost of Operations - Other	(2)	(1)
Resources that Finance the Acquisition of Assets or Liquidation of Liabilities	703,807	702,665
Other	(64,128)	(11,597)
Total Resources Used to Finance Items Not Part of the Net Cost of Operations	623,527	689,915
Total Resources Used to Finance the Net Cost of Operations	(402,851)	(881,927)

(dollars in thousands)	For The Years Ended September 30,	
	2016	2015
Components Requiring or Generating Resources in Future Periods		
Increase in Exchange Revenue Receivable from the Public	—	—
Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods	—	—
Components not Requiring or Generating Resources in the Current Period		
Depreciation and Amortization	28,775	25,585
Revaluation of Assets	274	(5,295)
Other	354,538	820,826
Total Components of Net Revenue from Operations that will not require or Generate Resources	383,587	820,826
Total Components of Net Revenue from Operations that will not require or Generate Resources in the Current Period	383,587	820,826
Net Cost (Revenue) from Operations	\$ (19,264)	\$ (61,101)

22. UNDELIVERED ORDERS AT THE END OF THE PERIOD

Budgetary resources obligated for undelivered orders as of September 30, 2016 and 2015 were \$107,650 and \$137,324 respectively.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015

INTRODUCTION

This section provides the Required Supplementary Information as prescribed by the OMB Circular A-136, *Financial Reporting Requirements*, SFFAS No. 29, *Heritage Assets and Stewardship Land* and SFFAS No. 42, *Deferred Maintenance and Repairs: Amending SFFAS Nos. 6, 14, 29 and 32*.

HERITAGE ASSETS

The Mint is steward of a large, unique and diversified body of heritage assets that demonstrate the social, educational, and cultural heritage of the Mint. These items include a variety of rare and semi-precious coin collections and historical artifacts, and are held at various Mint locations. Some of these items are placed in locked vaults within the Mint, where access is limited to only special authorized personnel. Other items are on full display to the public, requiring little if any authorization to view.

Included in the heritage assets are the buildings housing the Mint at Denver, West Point, San Francisco, and Fort Knox. The Mint generally does not place a value on heritage assets, even though some of the coins and artifacts are priceless. However, the assets are accounted for, and controlled, for protection and conservation purposes. Heritage assets held by the Mint are generally in acceptable physical condition.

DEFERRED MAINTENANCE

Deferred maintenance and repairs is maintenance and repair activity that was not performed when it should have been, or was scheduled to be, and is put off or delayed for a future period. In fiscal years 2016 and 2015, the Mint had no deferred maintenance costs to report on vehicles, buildings, structures, and equipment owned by the Mint. There is also no deferred maintenance on heritage assets, which includes the Denver, West Point, San Francisco, and Fort Knox buildings.

OTHER INFORMATION (UNAUDITED)

DEPARTMENT OF THE TREASURY UNITED STATES MINT SCHEDULE OF SPENDING

	For The Years Ended September 30,	
	2016	2015
	(dollars in thousands)	
What Money is Available to Spend?		
Total Resources	\$3,578,304	\$3,513,126
Less Amount Not Agreed to be Spent	(183,851)	(576,217)
Less Amount Not Available to be Spent	(116,880)	—
Total Amounts Agreed to be Spent	<u>\$3,277,573</u>	<u>\$2,936,909</u>
How was the Money Spent?		
Personnel Compensation	146,159	143,435
Personnel Benefits	49,952	44,590
Benefits for Former Personnel	53	200
Travel and transportation of persons	1,653	1,616
Transportation of things	32,100	34,747
Rent, Communications, and utilities	28,334	27,583
Printing and reproduction	962	1,382
Other contractual services	94,319	73,808
Supplies and materials	2,886,027	2,578,794
Equipment	25,088	22,031
Land and structures	12,905	8,684
Interest and dividends	21	39
Total Amounts Agreed to be Spent	<u>\$3,277,573</u>	<u>\$2,936,909</u>
Who did the Money go to?		
Federal	68,081	57,182
Non-Federal	3,209,492	2,879,727
Total Amounts Agreed to be Spent	<u>\$3,277,573</u>	<u>\$2,936,909</u>



KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Auditors' Report on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Inspector General
Department of the Treasury

Principal Deputy Director
United States Mint:

We have audited, in accordance with auditing standards generally accepted in the United States of America, in accordance with the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in accordance with Office of Management and Budget (OMB) Bulletin No. 15-02, *Audit Requirements for Federal Financial Statements*, the financial statements of the United States Mint, which comprise the balance sheets as of September 30, 2016 and 2015, and the related statements of net cost, changes in net position, and budgetary resources for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 9, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements as of and for the year ended September 30, 2016, we considered the United States Mint's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the United States Mint's internal control. Accordingly, we do not express an opinion on the effectiveness of the United States Mint's internal control. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the result of that testing, and not to provide an opinion on the effectiveness of the United States Mint's internal control. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the United States Mint's internal control. Accordingly, this communication is not suitable for any other purpose.

A stylized, handwritten-style signature of 'KPMG LLP' in black ink.

December 9, 2016



KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Auditors' Report on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Inspector General
Department of the Treasury

Principal Deputy Director
United States Mint:

We have audited, in accordance with auditing standards generally accepted in the United States of America, in accordance with the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in accordance with Office of Management and Budget (OMB) Bulletin No. 15-02, *Audit Requirements for Federal Financial Statements*, the financial statements of the United States Mint, which comprise the balance sheets as of September 30, 2016 and 2015, and the related statements of net cost, changes in net position, and budgetary resources for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 9, 2016.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the United States Mint's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests of compliance disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 15-02.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the result of that testing, and not to provide an opinion on the United States Mint's compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the United States Mint's compliance. Accordingly, this communication is not suitable for any other purpose.

December 9, 2016

APPENDIX I: FY 2016 COIN AND MEDAL PRODUCTS (UNAUDITED)

CONGRESSIONAL GOLD MEDALS

MONUMENTS MEN CONGRESSIONAL GOLD MEDAL

Medal Awarded: October 22, 2015

Description: The Monuments, Fine Arts, and Archives program of the Allied Armies was established in 1943 to protect and repair the monuments, churches, and other cultural property of war-torn Europe during and following World War II. Known as the “Monuments Men,” this small corps of academics, architects, and museum curators soon took on an expanded and unprecedented mission: to find and recover millions of artistic and cultural artifacts from the Nazis. Through their heroic efforts, these men and women prevented the destruction or disappearance of a number of priceless works by world-renowned artists including Michelangelo, Leonardo da Vinci, Vincent van Gogh, Rembrandt, Johannes Vermeer, and Jan van Eyck. Both sides of the medal feature some of the countless works of art the Monuments Men successfully protected, and the reverse bears the following inscription attributed to Gen. Dwight D. Eisenhower: “IT IS OUR PRIVILEGE TO PASS ON TO THE COMING CENTURIES TREASURES OF PAST AGES.”



1965 SELMA TO MONTGOMERY VOTING RIGHTS MARCHES CONGRESSIONAL GOLD MEDAL

Medal Awarded: February 24, 2016

Description: March 7, 2015 marked the 50th anniversary of three famous marches by civil rights demonstrators to protest discriminatory practices that disenfranchised African Americans. Known as the “foot soldiers” of the voting rights movement, these peaceful protestors from all racial and economic backgrounds marched 54 miles from Selma to Montgomery, AL. During the first attempt on March 7, 1965, the marchers met brutal resistance at the Edmund Pettus Bridge. Armed state troopers attacked the group with clubs and tear gas in what became known as “Bloody Sunday.” The second effort to cross the bridge on March 9, called “Turnaround Tuesday,” was halted out of concern for the protestors’ safety. Beginning March 21, under the protection of Federal troops, the third march successfully reached the Alabama State Capitol on March 25. The marches received newspaper and television coverage around the world and galvanized national support for the voting rights movement. This movement culminated in the Voting Rights Act of 1965, which President Lyndon B. Johnson signed into law in August of that year. The medal’s obverse features the marchers crossing the Edmund Pettus Bridge and bears inscriptions reading “SELMA TO MONTGOMERY MARCHES 1965” and “FOOT SOLDIERS FOR JUSTICE.” The reverse commemorates the Voting Rights Act of 1965. The design features a hand, a voting ballot box and the quote “EVERY AMERICAN CITIZEN MUST HAVE AN EQUAL RIGHT TO VOTE,” from President Johnson’s voting rights speech to Congress.



U.S. ARMY 65TH INFANTRY REGIMENT “BORINQUEENEERS” CONGRESSIONAL GOLD MEDAL

Medal Awarded: April 13, 2016

Description: The 65th Infantry Regiment, established as a segregated Puerto Rican regiment of the U.S. Army in 1899, participated in World War I, World War II, and the Korean War. The last segregated unit of the U.S. military, its members called themselves the Borinqueneers, from the Taino word for Puerto Rico. Though faced with adversity since its inception and restricted to noncombat roles during World War I, the regiment fought with great distinction in some of the fiercest battles of World War II, and by 1953 the regiment was fully integrated. The Borinqueneers earned nine Distinguished Service Crosses, approximately 250 Silver Stars, and more than 600 Bronze Stars and 2,700 Purple Hearts for their service during the Korean War. The regiment was officially deactivated in April 1956, following the Korean War. The medal’s obverse features a close-up portrait of a fictional Borinqueneer staff sergeant. The reverse depicts a “garita,” a dome-covered sentry box and Puerto Rican cultural symbol, from the Castillo de San Felipe del Morro in San Juan, Puerto Rico.



NATIVE AMERICAN CODE TALKER CONGRESSIONAL GOLD MEDALS – ST. REGIS MOHAWK TRIBE AND PUEBLO OF LAGUNA TRIBE

Medal Awarded: May 19 and July 26, 2016

Description: The Code Talkers Recognition Congressional Medal program honors Native Americans who served in the U.S. armed forces during World War I and World War II and transmitted coded messages to support tactical military operations. Although Native Americans were not considered American citizens when the United States entered World War I in April 1917, many members of Native American tribes and nations enlisted and used their native languages to securely transmit wartime messages. Enemy forces proved unable to crack the code because it was not based on European languages or mathematical progressions. Gold Medals were struck for each Native American tribe with a member who served as a code talker, and silver duplicate Medals were presented to the code talkers or their relatives or representatives. Congress awarded 26 Medals in 2014, three Medals in 2015 and two Medals in 2016. The St. Regis Mohawk Tribe medal obverse features a World War II code talker, a snipe, and the symbols of the three principal clans of the Mohawk Tribe – a bear, a wolf, and a snapping turtle. The reverse depicts a profiled figure, a Mohawk kustowa headdress, a bear claw necklace, a war club, and a Mohawk Wolf Belt. The Pueblo of Laguna Tribe medal obverse features a World War II code talker. The reverse design features the Pueblo of Laguna Tribe seal.



AMERICA THE BEAUTIFUL QUARTERS® PROGRAM

SARATOGA NATIONAL HISTORICAL PARK – NEW YORK

Coin Released: November 30, 2015

Description: Saratoga National Historical Park commemorates the site of the Battles of Saratoga, where American forces ultimately won a decisive victory against the British in the Revolutionary War. In the autumn of 1777, British General John Burgoyne led a large force south from Quebec toward Albany. The move was part of a planned three-pronged British offensive into New York, designed to isolate New England from the other colonies and cripple the rebellion. Under the command of General Horatio Gates, the American Continental Army fought Burgoyne's troops to a standstill at the First Battle of Saratoga, also called the Battle of Freeman's Farm, on September 19, 1777. Fighting resumed on October 7 at the Battle of Bemis Heights. During this Second Battle of Saratoga, the American forces completely surrounded the British, and Burgoyne surrendered to Gates on October 17. The victory at Saratoga is considered a critical turning point in the war, largely because it moved France to formally recognize and ally with the Americans in their fight for independence. The quarter's reverse design depicts a close-up of the moment Burgoyne surrendered his sword to Gates. Established in 1938, Saratoga National Historical Park includes Saratoga Battlefield, Saratoga Monument, Victory Woods, and the Philip Schuyler House – the restored country estate of the American Revolutionary War general and United States Senator.



SHAWNEE NATIONAL FOREST – ILLINOIS

Coin Released: February 1, 2016

Description: Nestled between the Mississippi and Ohio Rivers in southern Illinois, Shawnee National Forest consists of approximately 280,000 acres of federally managed lands, the most acreage of any natural or publicly owned area in the state of Illinois. An abundance of wetlands, floodplains and riparian areas enhances the water quality and provides important habitats for migrating waterfowl in the Mississippi flyway. President Franklin D. Roosevelt officially established the Forest in 1939. Visitors to Shawnee National Forest can enjoy a wide array of recreational activities, including camping, fishing, hunting, rock climbing, swimming, and non-motorized boating. The Forest also offers trails for walking, hiking, biking, horse riding, and nature viewing, as well as two beach areas. The coin's reverse features a view of Camel Rock, with the forest treetops below and a red-tailed hawk soaring in the sky overhead.



CUMBERLAND GAP NATIONAL HISTORICAL PARK - KENTUCKY

Coin Released: April 4, 2016

Description: Cumberland Gap National Historical Park sits at the meeting of the Kentucky, Tennessee and Virginia state borders, forming a large, natural V-shaped pass through the Appalachian Mountain range. Prior to its discovery by American colonists, Native Americans and numerous migratory animal species used the Gap to travel from north to south with the changing seasons. In 1775, famed American frontiersman Daniel Boone led efforts to widen the path through the Gap. This trail soon became known as the Wilderness Road. During the late 18th and early 19th centuries, hundreds of thousands of west-bound settlers traveled through the Gap, which for decades provided the only plausible transportation corridor into the frontiers of Kentucky, Tennessee, and beyond. Visitors to the park can enjoy the scenic views and hiking trails, historic Hensley Settlement, and miles of subterranean caves beneath the mountains. The coin's reverse features a frontiersman gazing westward across the Cumberland Gap mountains, and it bears an inscription reading: "FIRST DOORWAY TO THE WEST."



HARPERS FERRY NATIONAL HISTORICAL PARK – WEST VIRGINIA

Coin Released: June 6, 2016

Description: Located at the confluence of the Potomac and Shenandoah rivers at the easternmost point of West Virginia, Harpers Ferry was a U.S. military armory attacked by famed abolitionist John Brown in 1859. Brown intended his raid as the first in a series of bold moves to incite an armed slave revolt and strike at southern slaveholders. The small group of raiders initially overran Harpers Ferry on the night of October 16, but they were surrounded and defeated two days later by troops led by Colonel Robert E. Lee. Brown was captured during the fighting and hanged for treason in December of that year. Before his execution, Brown delivered a prophetic statement to his guards: "I, John Brown, am now quite certain that the crimes of this guilty land will never be purged away but with blood." The event heightened tensions between Northern and Southern states in the prelude to Civil War. Harpers Ferry also witnessed the arrival of the first successful American railroad, the largest surrender of Federal troops during the Civil War, and the education of former slaves in one of the earliest integrated schools in the United States. Originally designated as a National Monument in 1944, Harpers Ferry was declared a National Historical Park by Congress in 1963. The park includes land and waterways in West Virginia, Virginia, and Maryland and offers visitors a variety of activities including tours, museums, hiking and biking trails, rafting, tubing and kayaking. The coin's reverse depicts John Brown's last stand during his raid on the Harpers Ferry Armory.



THEODORE ROOSEVELT NATIONAL PARK – NORTH DAKOTA

Coin Released: August 29, 2016

Description: Theodore Roosevelt National Park consists of three geographically separate areas of rugged badlands terrain in western North Dakota. Named for U.S. President and noted conservationist Theodore Roosevelt, the park was originally established as Theodore Roosevelt National Memorial Park in 1947, the only National Memorial Park ever established. The park's designation changed to its current name in 1978. A young Roosevelt, seeking to hunt bison, first settled in the area in 1883. Roosevelt's formative experiences with the region's wildlife instilled a fierce protectiveness for our Nation's natural resources, a precursor to his unmatched Presidential legacy of conservation. "I would not have been President had it not been for my experience in North Dakota," Roosevelt later remarked. During his Presidency from 1901 to 1909, Roosevelt established the United States Forest Service, designated five National Parks and 18 new National Monuments, and set aside more Federal land, parks, and nature preserves than the 25 Presidents before him, combined. Despite its harsh environment, the park supports a surprising diversity of wildlife for visitors to enjoy, including bison, elk, bighorn sheep, and wild horses. The coin's reverse depicts Roosevelt surveying the terrain on horseback, perched above a scenic backdrop with the Little Missouri River flowing below.



PRESIDENTIAL \$1 COIN PROGRAM

RICHARD M. NIXON PRESIDENTIAL \$1 COIN

37TH PRESIDENT, 1969-1974

Coin Released: February 3, 2016

Description: The only U.S. President to ever resign the office, Richard Milhous Nixon overcame consecutive failed campaigns for the Presidency and for Governor of California in the early 1960s to ascend to the White House in 1968. Nixon was born January 9, 1913, in Yorba Linda, California, and raised in nearby Whittier. He attended Whittier College and Duke University Law School. After beginning his career practicing law, Nixon served as a Navy lieutenant commander in the Pacific during World War II. After the war, Nixon was elected to the U.S. House of Representatives, where he gained national attention for his role in the investigation of former State Department official Alger Hiss. He subsequently won election to the U.S. Senate in 1950 before his election as Vice President for the Eisenhower administration in 1952. Nixon campaigned for the presidency in 1960 but narrowly lost to John F. Kennedy. After a subsequent bid for Governor of California also ended in defeat, Nixon won the three-way race to become the 37th U.S. President in 1968. Nixon achieved a number of foreign policy successes, including the end of American fighting in Vietnam and improved diplomatic relations with the Soviet Union and China. During his presidency, the United States also completed the first astronaut moon landing on the Apollo 11, symbolizing a victory in the "Space Race." Nixon won re-election in 1972, defeating George McGovern by one of the most



lopsided margins in history. However, investigations of a break-in at the offices of the Democratic National Committee during the 1972 campaign linked Nixon's administration to a botched cover-up in what became known as the "Watergate" scandal. Faced with imminent impeachment from the Watergate fallout, Nixon resigned in August of 1974. He was subsequently pardoned by his former Vice President and successor to the Presidency, Gerald Ford. In his later years, Nixon received acclaim for his memoirs and other literary and television contributions, which helped to rebuild his image. He died in 1994.

GERALD R. FORD PRESIDENTIAL \$1 COIN

38TH PRESIDENT, 1974-1977

Coin Released: March 8, 2016

Description: Gerald Rudolph Ford remains the only U.S. President and Vice President in history not to have been elected to either office. Born Leslie Lynch King, Jr. on July 14, 1913, Ford legally changed his name after his mother remarried. He starred as a football player for the University of Michigan and helped the Wolverines to consecutive undefeated, national championship seasons in 1932 and 1933. Ford attained the rank of Navy lieutenant commander during World War II and then practiced law before beginning his political career. A 25-year veteran of Congress prior to his years in the White House, Ford was well-liked for his honesty and transparency. Following Spiro Agnew's resignation as Vice President in 1973, then-President Nixon selected Ford, the House Minority Leader, to assume the role. When the Watergate scandal prompted Nixon himself to resign a year later, Ford became the 38th U.S. President. "I assume the Presidency under extraordinary circumstances," Ford declared in taking the oath of office. "This is an hour of history that troubles our minds and hurts our hearts." As President, Ford faced backlash from his decision to grant Nixon a full pardon. He worked to balance an economy threatened by high inflation, a dangerous recession, and diplomatic challenges in Southeast Asia, the Middle East, and the Soviet Union. Ford's major domestic initiatives sought to reduce taxes and allow businesses to operate more freely. During the 1976 election, Ford carried 27 states but failed to win re-election against Jimmy Carter. In his later years, Ford notably became the highest ranking Republican to openly support full equality for gay and lesbian Americans. He died on December 26, 2006, making him the longest-lived U.S. President at 93 years and 165 days.



RONALD REAGAN PRESIDENTIAL \$1 COIN

40TH PRESIDENT, 1981-1989

Coin Released: July 1, 2016

Description: Ronald Wilson Reagan was born on February 6, 1911, in Tampico, Illinois. Reagan developed an interest in acting while working his way through Eureka College and in 1937 landed a contract with a major film studio. He appeared in more than 50 films, including World War II training films while serving in the Army Air Corps, and later served as president of the Screen Actors Guild. Reagan successfully ran for Governor of California in 1966, serving two terms and paving the way to the White House. After unsuccessfully challenging Gerald Ford for the Republican nomination in 1976, Reagan defeated Jimmy Carter four years later to become the 40th U.S. President. Shot during a failed assassination attempt just 69 days into his first term, Reagan quickly recovered and presided over eight years of sustained peacetime prosperity. Reagan advocated an economic program featuring tax cuts, deregulation and restraint in domestic spending. Reagan also negotiated a treaty with the Soviet Union that eliminated intermediate-range nuclear arms and appointed Sandra Day O'Connor, the first female U.S. Supreme Court Justice. Reagan's later years were marked by his battle with Alzheimer's disease. He died in 2004.



FIRST SPOUSE GOLD COIN AND BRONZE MEDAL PROGRAM

PATRICIA NIXON FIRST SPOUSE GOLD COIN AND BRONZE MEDAL – FIRST LADY, 1969-1974

Coin Released: February 18, 2016

Description: Patricia “Pat” Nixon was born Thelma Catherine Ryan on March 16, 1912, in Ely, Nevada. Her birthdate and her father's Irish heritage inspired her lifelong nickname. She financed her education at the University of Southern California by working part-time jobs on campus and graduated cum laude in 1937. She then accepted a teaching position in Whittier, where she met her future husband, Richard Nixon. When Nixon, then a lawyer, decided to pursue a career in politics, Pat campaigned tirelessly on his behalf and even performed research on his opponents. She accompanied him on his trips abroad during his Vice Presidency, a practice she continued as First Lady. Genuinely concerned about people and the power of volunteerism, she visited Peru following a devastating earthquake and spent hours walking through debris and comforting survivors. In 1972, she became the first North American woman to receive the Grand Cross of the Order of the Sun, the oldest award in North or South America, for her efforts to help the poor and homeless in Peru. She also visited South Vietnam, the first time a First Lady had ever visited a combat zone. The reverse design features stylized figures standing hand-in-hand surrounding a globe, symbolizing Mrs. Nixon's commitment to volunteerism around the world.



**BETTY FORD FIRST SPOUSE GOLD COIN
AND BRONZE MEDAL – FIRST LADY, 1974-1977**

Coin Released: March 25, 2016

Description: Betty Ford was born Elizabeth Ann Bloomer on April 8, 1918, in Chicago, Illinois and raised in Grand Rapids, Michigan. An avid dancer, she studied at Bennington College in Vermont before joining a noted New York dance company. Following a brief first marriage, she met Gerald Ford and they married in 1948 during his campaign for Congress. Mrs. Ford looked forward to her husband retiring from politics after 25 years in Congress. To her surprise, however, he was nominated as Vice President and later President following the resignations of Spiro Agnew and Richard Nixon. As First Lady, Mrs. Ford spoke with unprecedented candor about the controversial issues of her time and personal matters, including her drug and alcohol addictions and breast cancer diagnosis. She was also a passionate supporter of equal rights for women and the performing arts. After she and her husband left Washington, she continued to speak out on issues that were important to her. She also wrote three books and co-founded a recovery facility, bearing her name, to treat alcohol and drug dependency. The reverse design features a young woman ascending a staircase, representing Mrs. Ford's openness and advocacy regarding addiction, breast cancer awareness, and the rights of women.



**NANCY REAGAN FIRST SPOUSE GOLD COIN
AND BRONZE MEDAL – FIRST LADY, 1981-1989**

Coin Released: July, 1 2016

Description: Born in New York City July 6, 1921, Nancy Davis studied theater at Smith College in Massachusetts. A successful screen test in 1949 led to a seven-year contract with a major Hollywood studio. She appeared in 11 films and met her future husband during the production of *Hellcats of the Navy* in 1951. The two married the following year and Nancy raised their two children, Patricia Ann and Ronald Prescott. Beginning with her husband's California Governorship, Mrs. Reagan embraced several causes including the welfare of veterans, physically and emotionally handicapped children, and the elderly. As First Lady, she also supported the Foster Grandparent Program and the fight against youth drug and alcohol abuse through the "Just Say No" campaign. After President Reagan signed the National Crusade for a Drug Free America bill into law in 1986, Mrs. Reagan became first First Lady to address the United Nations General Assembly when she spoke on the topic of international drug laws. The reverse design features Mrs. Reagan with her arms around two children during her "Just Say No" anti-drug campaign.



2016 NATIVE AMERICAN \$1 COIN

CODE TALKERS OF WORLD WAR I AND WORLD WAR II

Coin Released: January 27, 2016

Description: The 2016 Native American \$1 Coin commemorates the contributions of Native American Code Talkers in World War I and World War II. Native Americans were not recognized as U.S. citizens until the passage of the Indian Citizenship Act on June 2, 1924. Yet an estimated 12,000 members of Native American tribes and nations served during World War I when the U.S. joined the war in April of 1917. During World War II, more than 44,000 Native Americans, out of a total population of less than 350,000, served with distinction in Europe, North Africa, and the Pacific. These code talkers used their native languages to encrypt and transmit critical wartime communications that, even if intercepted, could not be decoded by enemy forces. The coin's reverse features two U.S. military helmet designs, one each from World War I and World War II, as well as two feathers laid in the shape of a "V" to symbolize victory. The obverse retains the central "Sacagawea" design first produced in 2000.



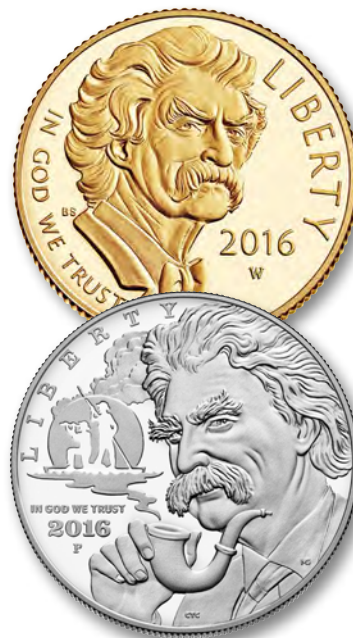
COMMEMORATIVE COIN PROGRAMS

MARK TWAIN

Coins Released: January 14, 2016

Mintage Limits: 100,000 \$5 gold coins and 350,000 \$1 silver coins

Description: World-renowned author of American classics including *The Adventures of Tom Sawyer* and *Adventures of Huckleberry Finn*, Mark Twain was born Samuel Langhorne Clemens on November 30, 1835. Clemens spent his formative childhood years in Hannibal, Missouri, a port town on the Mississippi River that influenced and provided the setting for many of his literary works, including *Tom Sawyer* and *Huckleberry Finn*. Clemens held jobs as a printer, steamboat pilot, miner, and newspaper writer before his first literary success in 1865, when *The Celebrated Jumping Frog of Calaveras County* was published and received national acclaim. According to his *Life on the Mississippi*, Clemens adopted his famous pen name, Mark Twain, as a play on a depth marking of "twelve fathoms" in the steamboating vernacular with which he was familiar. Twain is remembered today for addressing the complex social issues facing America at the turn of the century, including the legacy of the Civil War, race relations, and the economic inequalities of the "Gilded Age." He remains one of the best-known Americans in the world, with more than 6,500 editions of his books translated into 75 languages.



Sales prices of these commemorative coins include surcharges of \$35 for each gold coin and \$10 for each silver coin. The surcharges are distributed evenly to four institutions that support and promote Twain's legacy: the Mark Twain House and Museum in Hartford, Connecticut; the Mark Twain Boyhood Home and Museum in Hannibal, Missouri; the University of

California, Berkeley, to support the Mark Twain Project at the Bancroft Library; and Elmira College in New York. The gold reverse design features a steamboat on the Mississippi River. The obverse designs of both coins feature unique portraits of Mark Twain, with the silver coin featuring a silhouette of the iconic *Huckleberry Finn* image of Huck and Jim floating on their raft.

100TH ANNIVERSARY OF THE NATIONAL PARK SERVICE

Coins Released: March 24, 2016

Mintage Limit: 100,000 \$5 gold coins; 500,000 \$1 silver coins; 750,000 half dollar clad coins

Description: The 100th Anniversary of the National Park Service Act commemorates the centennial of the National Park Service (NPS). Established on August 25, 1916, the NPS operates as an agency of the Department of the Interior and is responsible for preserving its sites' history, ecology, and accessibility for public use and enjoyment. The NPS system consists of approximately 400 sites covering more than 80 million acres and employs more than 20,000 staff. In addition to 59 national parks, the NPS oversees monuments, battlefields, historical parks, historic sites, scenic rivers and trails. The NPS attracted more than 307 million visitors in 2015, the busiest year in its history, and rolled out a 2016 "Find Your Park" campaign to celebrate the centennial.

Sales prices of these commemorative coins include surcharges of \$35 for each gold coin, \$10 for each silver coin, and \$5 for each clad coin. The surcharges are paid to the National Park Foundation to support projects that preserve and protect NPS resources and promote public enjoyment and appreciation of these resources. The obverse designs feature a number of iconic natural and historical images. The gold coin features noted conservationists John Muir and Theodore Roosevelt with Yosemite National Park's Half Dome in the background. The silver coin features the Old Faithful geyser of Yellowstone National Park and a bison. The clad coin features a hiker discovering the majesty of the wilderness and a small child uncovering a frog hiding in ferns. The reverse designs of all three coins incorporate the distinctive National Park Service arrowhead logo.



2016 AMERICAN EAGLE COIN PROGRAM

2015 AMERICAN EAGLE PLATINUM PROOF COIN

Coin Released: December 3, 2015

Mintage Limits: 4,000

Description: Since 1997, the obverse of the United States Mint’s American Eagle Platinum Proof Coin has featured Lady Liberty, a symbol of vigilance and resolute faithfulness to duty. In 2015, the Mint launched a new two-year “Torches of Liberty” series featuring coins with modern, innovative reverse designs that are representative of our Nation’s core values of liberty and freedom. The 2015 design, titled “Liberty Nurtures Freedom,” depicts Liberty and an American bald eagle beside the earth and a gleaming sun.



2016 AMERICAN EAGLE GOLD PROOF COIN PROGRAM

Coin Released: March 17, 2016

Mintage Limits: None

Description: American Eagle Gold Proof Coins are collector versions of the official United States Mint bullion coins and are available in four sizes – one ounce, one-half ounce, one-quarter ounce, and one-tenth ounce – as well as a four-coin proof set, which contains one coin in each denomination. The obverse design features a rendition of Augustus Saint-Gaudens’ full length figure of Lady Liberty with flowing hair, holding a torch in her right hand and an olive branch in her left. The reverse design features a male eagle carrying an olive branch flying above a nest containing a female eagle and her hatchlings.



2016 AMERICAN EAGLE PLATINUM PROOF COIN

Coin Released: June 30, 2016

Mintage Limits: 10,000

Description: The 2016 coin is the second release in the two-year “Torches of Liberty” series. The obverse design features a “Portrait of Liberty.” Liberty looks to the future in this modern interpretation of an American icon, the Statue of Liberty. The reverse design depicts Liberty holding a torch of enlightenment in her right hand, and an olive branch in her left to symbolize peace. The olives represent the Thirteen Original Colonies. A bald eagle with outstretched wings appears beside Liberty.



2016 AMERICAN EAGLE SILVER PROOF COIN

Coin Released: September 9, 2016

Mintage Limits: None

Description: Produced since 1986, the avidly collected American Eagle Silver Proof Coins are collector versions of the official United States Mint American Eagle Silver Bullion Coins. The classic Walking Liberty design by Adolph A. Weinman featured on the coin's obverse has long been a collector favorite. The reverse features a heraldic eagle with shield, an olive branch in the right talon and arrows in the left. Pursuant to legislation, the coin also features incused edge lettering commemorating the 30th anniversary of its introduction.



AMERICAN BUFFALO GOLD COIN PROGRAM

2016 AMERICAN BUFFALO GOLD PROOF COIN

Coin Released: March 31, 2016

Mintage Limits: None

Description: The American Buffalo One Ounce Gold Proof Coin is the first 24-karat gold proof coin ever struck by the U.S. Mint and is the collector version of the official U.S. Mint American Buffalo Gold Bullion Coin. Containing one ounce of .9999 fine 24-karat gold, it rates among the purest gold coins in the world. The designs are based on the original 1913, Type I Buffalo nickel, as designed by James Earle Fraser. The obverse portrays a profile representation of a Native American, with a representation of an American Buffalo on the reverse.



2016 CENTENNIAL GOLD COINS

MERCURY DIME 2016 CENTENNIAL GOLD COIN

Coins Released: April 21, 2016

Mintage Limits: 125,000

Description: The 2016 Mercury Dime Centennial Gold Coin is the first of three 24-karat gold coins commemorating the 100th anniversary of three classic coin designs first issued in 1916. Designed by Adolph A. Weinman, the Winged Liberty Dime received nationwide acclaim and earned the "Mercury Dime" nickname due to Liberty's resemblance to the Roman god of commerce, Mercury. The coin's obverse design depicts a portrait of Liberty facing left, wearing a winged cap. The coin's reverse design, also by Weinman, depicts a Roman fasces and an olive branch, indicating America's military readiness but also her desire for peace.



STANDING LIBERTY 2016 CENTENNIAL GOLD COIN

Coins Released: September 8, 2016

Mintage Limits: 100,000

Description: The Standing Liberty Centennial Gold Coin commemorates the 1916 Standing Liberty Quarter. Designed by Hermon A. MacNeil, the coin was part of the Mint's effort to beautify America's coins. The obverse features Liberty holding a shield and an olive branch as she steps through an opening in a wall bearing 13 stars, representing the original American colonies. The reverse shows an eagle in flight flanked by 13 stars.



2016 AMERICAN LIBERTY SILVER MEDAL

2016 AMERICAN LIBERTY SILVER MEDAL

Coin Released: August 23, 2016

Mintage Limits: 12,500

Description: The American Liberty Silver Medals are struck at both West Point and San Francisco with a mintage limit of 12,500 per medal. The one-ounce silver medal features obverse and reverse designs from the Mint's Artistic Infusion Program. For the obverse, designer Justin Kunz crafted a modern depiction of Liberty that evokes the ideals of liberty, courage and hope. On the reverse, designer Paul C. Balan depicts an American eagle rising in flight and clutching a branch to embody freedom.



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